

1 AN ACT in relation to budget implementation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 ARTICLE I

5 Section 1-1. Short title. This Act may be cited as the
6 FY2005 Budget Implementation (Finance) Act.

7 Section 1-5. Purpose. It is the purpose of this Act to make
8 changes in State programs that are necessary to implement the
9 Governor's FY2005 budget recommendations concerning finance.

10 ARTICLE 5

11 Section 5-1. Short title. This Act may be cited as the
12 State Facilities Closure Act. All references in this Article to
13 "this Act" mean this Article.

14 Section 5-5. Definitions. In this Act:

15 "Commission" means the Illinois Economic and Fiscal
16 Commission.

17 "State facility" means any facility (i) that is owned and
18 operated by the State or leased and operated by the State and
19 (ii) that is the primary stationary work location for 25 or
20 more State employees. "State facility" does not include any
21 facility under the jurisdiction of the legislative branch,
22 including the Auditor General, or the judicial branch.

23 Section 5-10. Facility closure process.

24 (a) Before a State facility may be closed, the State
25 executive branch officer with jurisdiction over the facility
26 shall file notice of the proposed closure with the Commission.
27 The notice must be filed within 2 days after the first public

1 announcement of any planned or proposed closure. Within 10 days
2 after it receives notice of the proposed closure, the
3 Commission, in its discretion, may require the State executive
4 branch officer with jurisdiction over the facility to file a
5 recommendation for the closure of the facility with the
6 Commission. The recommendation must be filed within 30 days
7 after the Commission delivers the request for recommendation to
8 the State executive branch officer. The recommendation must
9 include, but is not limited to, the following:

10 (1) the location and identity of the State facility
11 proposed to be closed;

12 (2) the number of employees for which the State
13 facility is the primary stationary work location and the
14 effect of the closure of the facility on those employees;

15 (3) the location or locations to which the functions
16 and employees of the State facility would be moved;

17 (4) the availability and condition of land and
18 facilities at both the existing location and any potential
19 locations;

20 (5) the ability to accommodate the functions and
21 employees at the existing and at any potential locations;

22 (6) the cost of operations of the State facility and at
23 any potential locations and any other related budgetary
24 impacts;

25 (7) the economic impact on existing communities in the
26 vicinity of the State facility and any potential facility;

27 (8) the ability of the existing and any potential
28 community's infrastructure to support the functions and
29 employees;

30 (9) the impact on State services delivered at the
31 existing location, in direct relation to the State services
32 expected to be delivered at any potential locations; and

33 (10) the environmental impact, including the impact of
34 costs related to potential environmental restoration,
35 waste management, and environmental compliance activities.

36 (b) If a recommendation is required by the Commission, a

1 30-day public comment period must follow the filing of the
2 recommendation. The Commission, in its discretion, may conduct
3 one or more public hearings on the recommendation. Public
4 hearings conducted by the Commission shall be conducted no
5 later than 35 days after the filing of the recommendation. At
6 least one of the public hearings on the recommendation shall be
7 held at a convenient location within 25 miles of the facility
8 for which closure is recommended. The Commission shall provide
9 reasonable notice of the comment period and of any public
10 hearings to the public and to units of local government and
11 school districts that are located within 25 miles of the
12 facility.

13 (c) Within 50 days after the State executive branch officer
14 files the required recommendation, the Commission shall issue
15 an advisory opinion on that recommendation. The Commission
16 shall file the advisory opinion with the appropriate State
17 executive branch officer, the Governor, the General Assembly,
18 and the Index Department of the Office of the Secretary of
19 State and shall make copies of the advisory opinion available
20 to the public upon request.

21 (d) No action may be taken to implement the recommendation
22 for closure of a State facility until 50 days after the filing
23 of any required recommendation.

24 (e) The requirements of this Section do not apply if all of
25 the functions and employees of a State facility are relocated
26 to another State facility that is within 10 miles of the closed
27 facility.

28 ARTICLE 10

29 Section 10-50. The Intergovernmental Cooperation Act is
30 amended by adding Section 4.5 as follows:

31 (5 ILCS 220/4.5 new)

32 Sec. 4.5. Prohibited agreements and contracts. No
33 intergovernmental or interagency agreement or contract may be

1 entered into, implemented, or given effect if the agreement's
2 or contract's intent or effect is (i) to circumvent any
3 limitation established by law on State appropriation or State
4 expenditure authority with respect to health care and employee
5 benefits contracts or (ii) to expend State moneys in a manner
6 inconsistent with the purpose for which they were appropriated
7 with respect to health care and employee benefits contracts.

8 Section 10-52. The Illinois Public Labor Relations Act is
9 amended by changing Section 15 as follows:

10 (5 ILCS 315/15) (from Ch. 48, par. 1615)

11 Sec. 15. Act Takes Precedence. (a) In case of any conflict
12 between the provisions of this Act and any other law (other
13 than Section 5 of the State Employees Group Insurance Act of
14 1971), executive order or administrative regulation relating
15 to wages, hours and conditions of employment and employment
16 relations, the provisions of this Act or any collective
17 bargaining agreement negotiated thereunder shall prevail and
18 control. Nothing in this Act shall be construed to replace or
19 diminish the rights of employees established by Sections 28 and
20 28a of the Metropolitan Transit Authority Act, Sections 2.15
21 through 2.19 of the Regional Transportation Authority Act. The
22 provisions of this Act are subject to Section 5 of the State
23 Employees Group Insurance Act of 1971.

24 (b) Except as provided in subsection (a) above, any
25 collective bargaining contract between a public employer and a
26 labor organization executed pursuant to this Act shall
27 supersede any contrary statutes, charters, ordinances, rules
28 or regulations relating to wages, hours and conditions of
29 employment and employment relations adopted by the public
30 employer or its agents. Any collective bargaining agreement
31 entered into prior to the effective date of this Act shall
32 remain in full force during its duration.

33 (c) It is the public policy of this State, pursuant to
34 paragraphs (h) and (i) of Section 6 of Article VII of the

1 Illinois Constitution, that the provisions of this Act are the
2 exclusive exercise by the State of powers and functions which
3 might otherwise be exercised by home rule units. Such powers
4 and functions may not be exercised concurrently, either
5 directly or indirectly, by any unit of local government,
6 including any home rule unit, except as otherwise authorized by
7 this Act.

8 (Source: P.A. 83-1012.)

9 Section 10-55. The State Employees Group Insurance Act of
10 1971 is amended by changing Section 5 as follows:

11 (5 ILCS 375/5) (from Ch. 127, par. 525)

12 Sec. 5. Employee benefits; declaration of State policy.
13 The General Assembly declares that it is the policy of the
14 State and in the best interest of the State to assure quality
15 benefits to members and their dependents under this Act. The
16 implementation of this policy depends upon, among other things,
17 stability and continuity of coverage, care, and services under
18 benefit programs for members and their dependents.
19 Specifically, but without limitation, members should have
20 continued access, on substantially similar terms and
21 conditions, to trusted family health care providers with whom
22 they have developed long-term relationships through a benefit
23 program under this Act. Therefore, the Director must administer
24 this Act consistent with that State policy, but may consider
25 affordability, cost of coverage and care, and competition among
26 health insurers and providers. All contracts for provision of
27 employee benefits, including those portions of any proposed
28 collective bargaining agreement that would require
29 implementation through contracts entered into under this Act,
30 are subject to the following requirements:

31 (i) By April 1 of each year, the Director must report
32 and provide information to the Commission concerning the
33 status of the employee benefits program to be offered for
34 the next fiscal year. Information includes, but is not

1 limited to, documents, reports of negotiations, bid
2 invitations, requests for proposals, specifications,
3 copies of proposed and final contracts or agreements, and
4 any other materials concerning contracts or agreements for
5 the employee benefits program. By the first of each month
6 thereafter, the Director must provide updated, and any new,
7 information to the Commission until the employee benefits
8 program for the next fiscal year is determined. In addition
9 to these monthly reporting requirements, at any time the
10 Commission makes a written request, the Director must
11 promptly, but in no event later than 5 business days after
12 receipt of the request, provide to the Commission any
13 additional requested information in the possession of the
14 Director concerning employee benefits programs. The
15 Commission may waive any of the reporting requirements of
16 this item (i) upon the written request by the Director. Any
17 waiver granted under this item (i) must be in writing.
18 Nothing in this item is intended to abrogate any
19 attorney-client privilege.

20 (ii) Within 30 days after notice of the awarding or
21 letting of a contract has appeared in the Illinois
22 Procurement Bulletin in accordance with subsection (b) of
23 Section 15-25 of the Illinois Procurement Code, the
24 Commission may request in writing from the Director and the
25 Director shall promptly, but in no event later than 5
26 business days after receipt of the request, provide to the
27 Commission information in the possession of the Director
28 concerning the proposed contract. Nothing in this item is
29 intended to waive or abrogate any privilege or right of
30 confidentiality authorized by law.

31 (iii) No contract subject to this Section may be
32 entered into until the 30-day period described in item (ii)
33 has expired, unless the Director requests in writing that
34 the Commission waive the period and the Commission grants
35 the waiver in writing.

36 (iv) If the Director seeks to make any substantive

1 modification to any provision of a proposed contract after
2 it is submitted to the Commission in accordance with item
3 (ii), the modified contract shall be subject to the
4 requirements of items (ii) and (iii) unless the Commission
5 agrees, in writing, to a waiver of those requirements with
6 respect to the modified contract.

7 (v) By the date of the beginning of the annual benefit
8 choice period, the Director must transmit to the Commission
9 a copy of each final contract or agreement for the employee
10 benefits program to be offered for the next fiscal year.
11 The annual benefit choice period for an employee benefits
12 program must begin on May 1 of the fiscal year preceding
13 the year for which the program is to be offered. If,
14 however, in any such preceding fiscal year collective
15 bargaining over employee benefit programs for the next
16 fiscal year remains pending on April 15, the beginning date
17 of the annual benefit choice period shall be not later than
18 15 days after ratification of the collective bargaining
19 agreement.

20 (vi) The Director must provide the reports,
21 information, and contracts required under items (i), (ii),
22 (iv), and (v) by electronic or other means satisfactory to
23 the Commission. Reports, information, and contracts in the
24 possession of the Commission pursuant to items (i), (ii),
25 (iv), and (v) are exempt from disclosure by the Commission
26 and its members and employees under the Freedom of
27 Information Act. Reports, information, and contracts
28 received by the Commission pursuant to items (i), (ii),
29 (iv), and (v) must be kept confidential by and may not be
30 disclosed or used by the Commission or its members or
31 employees if such disclosure or use could compromise the
32 fairness or integrity of the procurement, bidding, or
33 contract process. Commission meetings, or portions of
34 Commission meetings, in which reports, information, and
35 contracts received by the Commission pursuant to items (i),
36 (ii), (iv), and (v) are discussed must be closed if

1 disclosure or use of the report or information could
2 compromise the fairness or integrity of the procurement,
3 bidding, or contract process.

4 All contracts entered into under this Section are subject
5 to appropriation and shall comply with Section 20-60(b) of the
6 Illinois Procurement Code (30 ILCS 500/20-60(b)).

7 The Director shall contract or otherwise make available
8 group life insurance, health benefits and other employee
9 benefits to eligible members and, where elected, their eligible
10 dependents. Any contract or, if applicable, contracts or other
11 arrangement for provision of benefits shall be on terms
12 consistent with State policy and ~~deemed by the Director to be~~
13 ~~in the best interest of the State of Illinois and its members~~
14 based on, but not limited to, such criteria as administrative
15 cost, service capabilities of the carrier or other contractor
16 and premiums, fees or charges as related to benefits.

17 The Director may prepare and issue specifications for group
18 life insurance, health benefits, other employee benefits and
19 administrative services for the purpose of receiving proposals
20 from interested parties.

21 The Director is authorized to execute a contract, or
22 contracts, for the programs of group life insurance, health
23 benefits, other employee benefits and administrative services
24 authorized by this Act (including, without limitation,
25 prescription drug benefits). All of the benefits provided under
26 this Act may be included in one or more contracts, or the
27 benefits may be classified into different types with each type
28 included under one or more similar contracts with the same or
29 different companies.

30 The term of any contract may not extend beyond 5 fiscal
31 years. Upon recommendation of the Commission, the Director may
32 exercise renewal options of the same contract for up to a
33 period of 5 years. Any increases in premiums, fees or charges
34 requested by a contractor whose contract may be renewed
35 pursuant to a renewal option contained therein, must be
36 justified on the basis of (1) audited experience data, (2)

1 increases in the costs of health care services provided under
2 the contract, (3) contractor performance, (4) increases in
3 contractor responsibilities, or (5) any combination thereof.

4 Any contractor shall agree to abide by all requirements of
5 this Act and Rules and Regulations promulgated and adopted
6 thereto; to submit such information and data as may from time
7 to time be deemed necessary by the Director for effective
8 administration of the provisions of this Act and the programs
9 established hereunder, and to fully cooperate in any audit.

10 (Source: P.A. 91-390, eff. 7-30-99.)

11 Section 10-58. The Aquaculture Development Act is amended
12 by changing Section 5.5 as follows:

13 (20 ILCS 215/5.5)

14 (Section scheduled to be repealed on June 30, 2009)

15 Sec. 5.5. Aquaculture Cooperative.

16 (a) The Department of Agriculture shall make grants to an
17 Aquaculture Cooperative from the Illinois Aquaculture
18 Development Fund, a special fund created in the State Treasury.
19 On July 1, 1999 and on each July 1 thereafter through July 1,
20 2008, the Comptroller shall order transferred and the Treasurer
21 shall transfer \$1,000,000 from the General Revenue Fund into
22 the Illinois Aquaculture Development Fund. The Aquaculture
23 Cooperative shall consist of any individual or entity of the
24 aquaculture industry in this State that seeks membership
25 pursuant to the Agricultural Co-Operative Act. The grants for
26 the Cooperative shall be distributed from the Illinois
27 Aquaculture Development Fund as provided by rule. At the
28 beginning of each fiscal period, the Cooperative shall prepare
29 a budget plan for the next fiscal period, including the
30 probable cost of all programs, projects, and contracts. The
31 Cooperative shall submit the proposed budget to the Director
32 for review and comment. The Director may recommend programs and
33 activities considered appropriate for the Cooperative. The
34 Cooperative shall keep minutes, books, and records that clearly

1 reflect all of the acts and transactions of the Cooperative and
2 shall make this information public. The financial books and
3 records of the Cooperative shall be audited by a certified
4 public accountant at least once each fiscal year and at other
5 times as designated by the Director. The expense of the audit
6 shall be the responsibility of the Cooperative. Copies of the
7 audit shall be provided to all members of the Cooperative, to
8 the Department, and to other requesting members of the
9 aquaculture industry.

10 (b) The grants to an Aquaculture Cooperative and the
11 proceeds generated by the Cooperative may be used for the
12 following purposes:

13 (1) To buy aquatic organisms from members of the
14 Cooperative.

15 (2) To buy aquatic organism food in bulk quantities for
16 resale to the members of the Cooperative.

17 (3) For transportation, hauling, and delivery
18 equipment.

19 (4) For employee salaries, building leases, and other
20 administrative costs.

21 (5) To purchase equipment for use by the Cooperative
22 members.

23 (6) Any other related costs.

24 (c) The Illinois Aquaculture Development Fund is abolished
25 on August 31, 2004. Any balance remaining in the Fund on that
26 date shall be transferred to the General Revenue Fund. The
27 Department shall submit a report to the General Assembly before
28 January 1, 2009 with a determination of whether the funding for
29 the Aquaculture Cooperative should be extended beyond June 30,
30 2009. If the Department recommends an extension of the funding
31 for the Cooperative, then the report shall detail whether the
32 Cooperative funding should be increased, decreased, or
33 eliminated. The report shall be submitted according to Section
34 5-140 of the Illinois Administrative Procedure Act.

35 (d) This Section is repealed on June 30, 2009.

36 (Source: P.A. 91-530, eff. 8-13-99.)

1 Section 10-60. The Department of Central Management
2 Services Law of the Civil Administrative Code of Illinois is
3 amended by changing Sections 405-105, 405-315, and 405-410 and
4 by adding Sections 405-293, 405-411, and 405-415 as follows:

5 (20 ILCS 405/405-105) (was 20 ILCS 405/64.1)

6 Sec. 405-105. Fidelity, surety, property, and casualty
7 insurance. The Department shall establish and implement a
8 program to coordinate the handling of all fidelity, surety,
9 property, and casualty insurance exposures of the State and the
10 departments, divisions, agencies, branches, and universities
11 of the State. In performing this responsibility, the Department
12 shall have the power and duty to do the following:

13 (1) Develop and maintain loss and exposure data on all
14 State property.

15 (2) Study the feasibility of establishing a self-insurance
16 plan for State property and prepare estimates of the costs of
17 reinsurance for risks beyond the realistic limits of the
18 self-insurance.

19 (3) Prepare a plan for centralizing the purchase of
20 property and casualty insurance on State property under a
21 master policy or policies and purchase the insurance contracted
22 for as provided in the Illinois Purchasing Act.

23 (4) Evaluate existing provisions for fidelity bonds
24 required of State employees and recommend changes that are
25 appropriate commensurate with risk experience and the
26 determinations respecting self-insurance or reinsurance so as
27 to permit reduction of costs without loss of coverage.

28 (5) Investigate procedures for inclusion of school
29 districts, public community college districts, and other units
30 of local government in programs for the centralized purchase of
31 insurance.

32 (6) Implement recommendations of the State Property
33 Insurance Study Commission that the Department finds necessary
34 or desirable in the performance of its powers and duties under

1 this Section to achieve efficient and comprehensive risk
2 management.

3 (7) Prepare and, in the discretion of the Director,
4 implement a plan providing for the purchase of public liability
5 insurance or for self-insurance for public liability or for a
6 combination of purchased insurance and self-insurance for
7 public liability (i) covering the State and drivers of motor
8 vehicles owned, leased, or controlled by the State of Illinois
9 pursuant to the provisions and limitations contained in the
10 Illinois Vehicle Code, (ii) covering other public liability
11 exposures of the State and its employees within the scope of
12 their employment, and (iii) covering drivers of motor vehicles
13 not owned, leased, or controlled by the State but used by a
14 State employee on State business, in excess of liability
15 covered by an insurance policy obtained by the owner of the
16 motor vehicle or in excess of the dollar amounts that the
17 Department shall determine to be reasonable. Any contract of
18 insurance let under this Law shall be by bid in accordance with
19 the procedure set forth in the Illinois Purchasing Act. Any
20 provisions for self-insurance shall conform to subdivision
21 (11).

22 The term "employee" as used in this subdivision (7) and in
23 subdivision (11) means a person while in the employ of the
24 State who is a member of the staff or personnel of a State
25 agency, bureau, board, commission, committee, department,
26 university, or college or who is a State officer, elected
27 official, commissioner, member of or ex officio member of a
28 State agency, bureau, board, commission, committee,
29 department, university, or college, or a member of the National
30 Guard while on active duty pursuant to orders of the Governor
31 of the State of Illinois, or any other person while using a
32 licensed motor vehicle owned, leased, or controlled by the
33 State of Illinois with the authorization of the State of
34 Illinois, provided the actual use of the motor vehicle is
35 within the scope of that authorization and within the course of
36 State service.

1 Subsequent to payment of a claim on behalf of an employee
2 pursuant to this Section and after reasonable advance written
3 notice to the employee, the Director may exclude the employee
4 from future coverage or limit the coverage under the plan if
5 (i) the Director determines that the claim resulted from an
6 incident in which the employee was grossly negligent or had
7 engaged in willful and wanton misconduct or (ii) the Director
8 determines that the employee is no longer an acceptable risk
9 based on a review of prior accidents in which the employee was
10 at fault and for which payments were made pursuant to this
11 Section.

12 The Director is authorized to promulgate administrative
13 rules that may be necessary to establish and administer the
14 plan.

15 Appropriations from the Road Fund shall be used to pay auto
16 liability claims and related expenses involving employees of
17 the Department of Transportation, the Illinois State Police,
18 and the Secretary of State.

19 (8) Charge, collect, and receive from all other agencies of
20 the State government fees or monies equivalent to the cost of
21 purchasing the insurance.

22 (9) Establish, through the Director, charges for risk
23 management services rendered to State agencies by the
24 Department. The State agencies so charged shall reimburse the
25 Department by vouchers drawn against their respective
26 appropriations. The reimbursement shall be determined by the
27 Director as amounts sufficient to reimburse the Department for
28 expenditures incurred in rendering the service.

29 The Department shall charge the employing State agency or
30 university for workers' compensation payments for temporary
31 total disability paid to any employee after the employee has
32 received temporary total disability payments for 120 days if
33 the employee's treating physician has issued a release to
34 return to work with restrictions and the employee is able to
35 perform modified duty work but the employing State agency or
36 university does not return the employee to work at modified

1 duty. Modified duty shall be duties assigned that may or may
2 not be delineated as part of the duties regularly performed by
3 the employee. Modified duties shall be assigned within the
4 prescribed restrictions established by the treating physician
5 and the physician who performed the independent medical
6 examination. The amount of all reimbursements shall be
7 deposited into the Workers' Compensation Revolving Fund which
8 is hereby created as a revolving ~~special~~ fund in the State
9 treasury. In addition to any other purpose authorized by law,
10 moneys ~~Moneys~~ in the Fund shall be used, subject to
11 appropriation, to pay these or other temporary total disability
12 claims of employees of State agencies and universities.

13 Beginning with fiscal year 1996, all amounts recovered by
14 the Department through subrogation in workers' compensation
15 and workers' occupational disease cases shall be deposited into
16 the Workers' Compensation Revolving Fund created under this
17 subdivision (9).

18 (10) Establish rules, procedures, and forms to be used by
19 State agencies in the administration and payment of workers'
20 compensation claims. The Department shall initially evaluate
21 and determine the compensability of any injury that is the
22 subject of a workers' compensation claim and provide for the
23 administration and payment of such a claim for all State
24 agencies. The Director may delegate to any agency with the
25 agreement of the agency head the responsibility for evaluation,
26 administration, and payment of that agency's claims.

27 (11) Any plan for public liability self-insurance
28 implemented under this Section shall provide that (i) the
29 Department shall attempt to settle and may settle any public
30 liability claim filed against the State of Illinois or any
31 public liability claim filed against a State employee on the
32 basis of an occurrence in the course of the employee's State
33 employment; (ii) any settlement of such a claim must be
34 approved by the Director and, in cases of settlements exceeding
35 \$100,000, by the Governor; and (iii) a settlement of any public
36 liability claim against the State or a State employee shall

1 require an unqualified release of any right of action against
2 the State and the employee for acts within the scope of the
3 employee's employment giving rise to the claim.

4 Whenever and to the extent that a State employee operates a
5 motor vehicle or engages in other activity covered by
6 self-insurance under this Section, the State of Illinois shall
7 defend, indemnify, and hold harmless the employee against any
8 claim in tort filed against the employee for acts or omissions
9 within the scope of the employee's employment in any proper
10 judicial forum and not settled pursuant to this subdivision
11 (11), provided that this obligation of the State of Illinois
12 shall not exceed a maximum liability of \$2,000,000 for any
13 single occurrence in connection with the operation of a motor
14 vehicle or \$100,000 per person per occurrence for any other
15 single occurrence, or \$500,000 for any single occurrence in
16 connection with the provision of medical care by a licensed
17 physician employee.

18 Any claims against the State of Illinois under a
19 self-insurance plan that are not settled pursuant to this
20 subdivision (11) shall be heard and determined by the Court of
21 Claims and may not be filed or adjudicated in any other forum.
22 The Attorney General of the State of Illinois or the Attorney
23 General's designee shall be the attorney with respect to all
24 public liability self-insurance claims that are not settled
25 pursuant to this subdivision (11) and therefore result in
26 litigation. The payment of any award of the Court of Claims
27 entered against the State relating to any public liability
28 self-insurance claim shall act as a release against any State
29 employee involved in the occurrence.

30 (12) Administer a plan the purpose of which is to make
31 payments on final settlements or final judgments in accordance
32 with the State Employee Indemnification Act. The plan shall be
33 funded through appropriations from the General Revenue Fund
34 specifically designated for that purpose, except that
35 indemnification expenses for employees of the Department of
36 Transportation, the Illinois State Police, and the Secretary of

1 State shall be paid from the Road Fund. The term "employee" as
2 used in this subdivision (12) has the same meaning as under
3 subsection (b) of Section 1 of the State Employee
4 Indemnification Act. Subject to sufficient appropriation, the
5 Director shall approve payment of any claim presented to the
6 Director that is supported by a final settlement or final
7 judgment when the Attorney General and the chief officer of the
8 public body against whose employee the claim or cause of action
9 is asserted certify to the Director that the claim is in
10 accordance with the State Employee Indemnification Act and that
11 they approve of the payment. In no event shall an amount in
12 excess of \$150,000 be paid from this plan to or for the benefit
13 of any claimant.

14 (13) Administer a plan the purpose of which is to make
15 payments on final settlements or final judgments for employee
16 wage claims in situations where there was an appropriation
17 relevant to the wage claim, the fiscal year and lapse period
18 have expired, and sufficient funds were available to pay the
19 claim. The plan shall be funded through appropriations from the
20 General Revenue Fund specifically designated for that purpose.

21 Subject to sufficient appropriation, the Director is
22 authorized to pay any wage claim presented to the Director that
23 is supported by a final settlement or final judgment when the
24 chief officer of the State agency employing the claimant
25 certifies to the Director that the claim is a valid wage claim
26 and that the fiscal year and lapse period have expired. Payment
27 for claims that are properly submitted and certified as valid
28 by the Director shall include interest accrued at the rate of
29 7% per annum from the forty-fifth day after the claims are
30 received by the Department or 45 days from the date on which
31 the amount of payment is agreed upon, whichever is later, until
32 the date the claims are submitted to the Comptroller for
33 payment. When the Attorney General has filed an appearance in
34 any proceeding concerning a wage claim settlement or judgment,
35 the Attorney General shall certify to the Director that the
36 wage claim is valid before any payment is made. In no event

1 shall an amount in excess of \$150,000 be paid from this plan to
2 or for the benefit of any claimant.

3 Nothing in Public Act 84-961 shall be construed to affect
4 in any manner the jurisdiction of the Court of Claims
5 concerning wage claims made against the State of Illinois.

6 (14) Prepare and, in the discretion of the Director,
7 implement a program for self-insurance for official fidelity
8 and surety bonds for officers and employees as authorized by
9 the Official Bond Act.

10 (Source: P.A. 91-239, eff. 1-1-00.)

11 (20 ILCS 405/405-293 new)

12 Sec. 405-293. Professional Services.

13 (a) The Department of Central Management Services (the
14 "Department") is responsible for providing professional
15 services for or on behalf of State agencies for all functions
16 transferred to the Department by Executive Order No. 2003-10
17 (as modified by Section 5.5 of the Executive Reorganization
18 Implementation Act) and may, with the approval of the Governor,
19 provide additional services to or on behalf of State agencies.
20 To the extent not compensated by direct fund transfers, the
21 Department shall be reimbursed from each State agency receiving
22 the benefit of these services. The reimbursement shall be
23 determined by the Director of Central Management Services as
24 the amount required to reimburse the Professional Services Fund
25 for the Department's costs of rendering the professional
26 services on behalf of that State agency.

27 (b) For the purposes of this Section, "State agency" means
28 each State agency, department, board, and commission directly
29 responsible to the Governor. "Professional services" means
30 legal services, internal audit services, and other services as
31 approved by the Governor.

32 (20 ILCS 405/405-315) (was 20 ILCS 405/67.24)

33 Sec. 405-315. Management of State buildings; security
34 force; fees.

1 (a) To manage, operate, maintain, and preserve from waste
2 the State buildings, facilities, structures, grounds, or other
3 real property transferred to the Department under Section
4 405-415, including, without limitation, the State buildings
5 listed below. The Department may rent portions of these and
6 other State buildings when in the judgment of the Director
7 those leases or subleases will be in the best interests of the
8 State. The leases or subleases shall not exceed 5 years unless
9 a greater term is specifically authorized.

10 a. Peoria Regional Office Building

11 5415 North University
12 Peoria, Illinois 61614

13 b. Springfield Regional Office Building

14 4500 South 6th Street
15 Springfield, Illinois 62703

16 c. Champaign Regional Office Building

17 2125 South 1st Street
18 Champaign, Illinois 61820

19 d. Illinois State Armory Building

20 124 East Adams
21 Springfield, Illinois 62706

22 e. Marion Regional Office Building

23 2209 West Main Street
24 Marion, Illinois 62959

25 f. Kenneth Hall Regional State Office
26 Building

27 #10 Collinsville Avenue
28 East St. Louis, Illinois 62201

29 g. Rockford Regional Office Building

30 4402 North Main Street
31 P.O. Box 915
32 Rockford, Illinois 61105

33 h. State of Illinois Building

34 160 North LaSalle
35 Chicago, Illinois 60601

36 i. Office and Laboratory Building

- 1 2121 West Taylor Street
2 Chicago, Illinois 60602
- 3 j. Central Computer Facility
4 201 West Adams
5 Springfield, Illinois 62706
- 6 k. Elgin Office Building
7 595 South State Street
8 Elgin, Illinois 60120
- 9 l. James R. Thompson Center
10 Bounded by Lake, Clark, Randolph and
11 LaSalle Streets
12 Chicago, Illinois
- 13 m. The following buildings located within the Chicago
14 Medical Center District:
- 15 1. Lawndale Day Care Center
16 2929 West 19th Street
- 17 2. Edwards Center
18 2020 Roosevelt Road
- 19 3. Illinois Center for
20 Rehabilitation and Education
21 1950 West Roosevelt Road and 1151 South Wood Street
- 22 4. Department of Children and
23 Family Services District Office
24 1026 South Damen
- 25 5. The William Heally School
26 1731 West Taylor
- 27 6. Administrative Office Building
28 1100 South Paulina Street
- 29 7. Metro Children and Adolescents Center
30 1601 West Taylor Street
- 31 n. E.J. "Zeke" Giorgi Center
32 200 Wyman Street
33 Rockford, Illinois
- 34 o. Suburban North Facility
35 9511 Harrison
36 Des Plaines, Illinois

1 p. The following buildings located within the Revenue
2 Center in Springfield:

3 1. State Property Control Warehouse
4 11th & Ash

5 2. Illinois State Museum Research & Collections
6 Center
7 1011 East Ash Street

8 q. Effingham Regional Office Building
9 401 Industrial Drive
10 Effingham, Illinois

11 r. The Communications Center
12 120 West Jefferson
13 Springfield, Illinois

14 s. Portions or all of the basement and
15 ground floor of the
16 State of Illinois Building
17 160 North LaSalle
18 Chicago, Illinois 60601

19 may be leased or subleased to persons, firms, partnerships,
20 associations, or individuals for terms not to exceed 15 years
21 when in the judgment of the Director those leases or subleases
22 will be in the best interests of the State.

23 Portions or all of the commercial space, which includes the
24 sub-basement, storage mezzanine, concourse, and ground and
25 second floors of the

26 James R. Thompson Center
27 Bounded by Lake, Clark, Randolph and LaSalle Streets
28 Chicago, Illinois

29 may be leased or subleased to persons, firms, partnerships,
30 associations, or individuals for terms not to exceed 15 years
31 subject to renewals when in the judgment of the Director those
32 leases or subleases will be in the best interests of the State.

33 The Director is authorized to rent portions of the above
34 described facilities to persons, firms, partnerships,
35 associations, or individuals for terms not to exceed 30 days
36 when those leases or subleases will not interfere with State

1 usage of the facility. This authority is meant to supplement
2 and shall not in any way be interpreted to restrict the
3 Director's ability to make portions of the State of Illinois
4 Building and the James R. Thompson Center available for
5 long-term commercial leases or subleases.

6 Provided however, that all rentals or fees charged to
7 persons, firms, partnerships, associations, or individuals for
8 any lease or use of space in the above described facilities
9 made for terms not to exceed 30 days in length shall be
10 deposited in a special fund in the State treasury to be known
11 as the Special Events Revolving Fund.

12 Notwithstanding the provisions above, the Department of
13 Children and Family Services and the Department of Human
14 Services (as successor to the Department of Rehabilitation
15 Services and the Department of Mental Health and Developmental
16 Disabilities) shall determine the allocation of space for
17 direct recipient care in their respective facilities. The
18 Department of Central Management Services shall consult with
19 the affected agency in the allocation and lease of surplus
20 space in these facilities. Potential lease arrangements shall
21 not endanger the direct recipient care responsibilities in
22 these facilities.

23 (b) To appoint, subject to the Personnel Code, persons to
24 be members of a police and security force. Members of the
25 security force shall be peace officers when performing duties
26 pursuant to this Section and as such shall have all of the
27 powers possessed by policemen in cities and sheriffs, including
28 the power to make arrests on view or issue citations for
29 violations of State statutes or city or county ordinances,
30 except that in counties of more than 1,000,000 population, any
31 powers created by this subsection shall be exercised only (i)
32 when necessary to protect the property, personnel, or interests
33 of the Department or any State agency for whom the Department
34 manages, operates, or maintains property or (ii) when
35 specifically requested by appropriate State or local law
36 enforcement officials, and except that within counties of

1 1,000,000 or less population, these powers shall be exercised
2 only when necessary to protect the property, personnel, or
3 interests of the State of Illinois and only while on property
4 managed, operated, or maintained by the Department.

5 Nothing in this subsection shall be construed so as to make
6 it conflict with any provisions of, or rules promulgated under,
7 the Personnel Code.

8 (c) To charge reasonable fees for the lease, rental, use,
9 or occupancy of ~~to all State agencies utilizing~~ facilities
10 managed, operated, or maintained by the Department ~~for~~
11 ~~occupancy related fees and charges.~~ Except as provided in
12 subsection (a) regarding amounts to be deposited into the
13 Special Events Revolving Fund, all moneys ~~All fees~~ collected
14 under this subsection shall be deposited in a revolving ~~special~~
15 fund in the State treasury known as the Facilities Management
16 Revolving Fund. ~~As used in this subsection, the term "State~~
17 ~~agencies" means all departments, officers, commissions,~~
18 ~~institutions, boards, and bodies politic and corporate of the~~
19 ~~State.~~

20 (d) Provisions of this Section relating to the James R.
21 Thompson Center are subject to the provisions of Section 7.4 of
22 the State Property Control Act.

23 (Source: P.A. 92-302, eff. 8-9-01; 93-19, eff. 6-20-03.)

24 (20 ILCS 405/405-410)

25 Sec. 405-410. Transfer of Information Technology
26 functions.

27 (a) Notwithstanding any other law to the contrary, ~~on or~~
28 ~~before June 30, 2004,~~ the Director of Central Management
29 Services, working in cooperation with the Director of any other
30 agency, department, board, or commission directly responsible
31 to the Governor, may direct the transfer, to the Department of
32 Central Management Services, of those information technology
33 functions at that agency, department, board, or commission that
34 are suitable for centralization.

35 Upon receipt of the written direction to transfer

1 information technology functions to the Department of Central
2 Management Services, the personnel, equipment, and property
3 (both real and personal) directly relating to the transferred
4 functions shall be transferred to the Department of Central
5 Management Services, and the relevant documents, records, and
6 correspondence shall be transferred or copied, as the Director
7 may prescribe.

8 (b) Upon receiving written direction from the Director of
9 Central Management Services, the Comptroller and Treasurer are
10 authorized to transfer the unexpended balance of any
11 appropriations related to the information technology functions
12 transferred to the Department of Central Management Services
13 and shall make the necessary fund transfers from any special
14 fund in the State Treasury or from any other federal or State
15 trust fund held by the Treasurer to the General Revenue Fund
16 for use by the Department of Central Management Services in
17 support of information technology functions or any other
18 related costs or expenses of the Department of Central
19 Management Services.

20 (c) The rights of employees and the State and its agencies
21 under the Personnel Code and applicable collective bargaining
22 agreements or under any pension, retirement, or annuity plan
23 shall not be affected by any transfer under this Section.

24 (d) The functions transferred to the Department of Central
25 Management Services by this Section shall be vested in and
26 shall be exercised by the Department of Central Management
27 Services. Each act done in the exercise of those functions
28 shall have the same legal effect as if done by the agencies,
29 offices, divisions, departments, bureaus, boards and
30 commissions from which they were transferred.

31 Every person or other entity shall be subject to the same
32 obligations and duties and any penalties, civil or criminal,
33 arising therefrom, and shall have the same rights arising from
34 the exercise of such rights, powers, and duties as had been
35 exercised by the agencies, offices, divisions, departments,
36 bureaus, boards, and commissions from which they were

1 transferred.

2 Whenever reports or notices are now required to be made or
3 given or papers or documents furnished or served by any person
4 in regards to the functions transferred to or upon the
5 agencies, offices, divisions, departments, bureaus, boards,
6 and commissions from which the functions were transferred, the
7 same shall be made, given, furnished or served in the same
8 manner to or upon the Department of Central Management
9 Services.

10 This Section does not affect any act done, ratified, or
11 cancelled or any right occurring or established or any action
12 or proceeding had or commenced in an administrative, civil, or
13 criminal cause regarding the functions transferred, but those
14 proceedings may be continued by the Department of Central
15 Management Services.

16 This Section does not affect the legality of any rules in
17 the Illinois Administrative Code regarding the functions
18 transferred in this Section that are in force on the effective
19 date of this Section. If necessary, however, the affected
20 agencies shall propose, adopt, or repeal rules, rule
21 amendments, and rule recodifications as appropriate to
22 effectuate this Section.

23 (Source: P.A. 93-25, eff. 6-20-03.)

24 (20 ILCS 405/405-411 new)

25 Sec. 405-411. Consolidation of workers' compensation
26 functions.

27 (a) Notwithstanding any other law to the contrary, the
28 Director of Central Management Services, working in
29 cooperation with the Director of any other agency, department,
30 board, or commission directly responsible to the Governor, may
31 direct the consolidation, within the Department of Central
32 Management Services, of those workers' compensation functions
33 at that agency, department, board, or commission that are
34 suitable for centralization.

35 Upon receipt of the written direction to transfer workers'

1 compensation functions to the Department of Central Management
2 Services, the personnel, equipment, and property (both real and
3 personal) directly relating to the transferred functions shall
4 be transferred to the Department of Central Management
5 Services, and the relevant documents, records, and
6 correspondence shall be transferred or copied, as the Director
7 may prescribe.

8 (b) Upon receiving written direction from the Director of
9 Central Management Services, the Comptroller and Treasurer are
10 authorized to transfer the unexpended balance of any
11 appropriations related to the workers' compensation functions
12 transferred to the Department of Central Management Services
13 and shall make the necessary fund transfers from the General
14 Revenue Fund, any special fund in the State treasury, or any
15 other federal or State trust fund held by the Treasurer to the
16 Workers' Compensation Revolving Fund for use by the Department
17 of Central Management Services in support of workers'
18 compensation functions or any other related costs or expenses
19 of the Department of Central Management Services.

20 (c) The rights of employees and the State and its agencies
21 under the Personnel Code and applicable collective bargaining
22 agreements or under any pension, retirement, or annuity plan
23 shall not be affected by any transfer under this Section.

24 (d) The functions transferred to the Department of Central
25 Management Services by this Section shall be vested in and
26 shall be exercised by the Department of Central Management
27 Services. Each act done in the exercise of those functions
28 shall have the same legal effect as if done by the agencies,
29 offices, divisions, departments, bureaus, boards and
30 commissions from which they were transferred.

31 Every person or other entity shall be subject to the same
32 obligations and duties and any penalties, civil or criminal,
33 arising therefrom, and shall have the same rights arising from
34 the exercise of such rights, powers, and duties as had been
35 exercised by the agencies, offices, divisions, departments,
36 bureaus, boards, and commissions from which they were

1 transferred.

2 Whenever reports or notices are now required to be made or
3 given or papers or documents furnished or served by any person
4 in regards to the functions transferred to or upon the
5 agencies, offices, divisions, departments, bureaus, boards,
6 and commissions from which the functions were transferred, the
7 same shall be made, given, furnished or served in the same
8 manner to or upon the Department of Central Management
9 Services.

10 This Section does not affect any act done, ratified, or
11 cancelled or any right occurring or established or any action
12 or proceeding had or commenced in an administrative, civil, or
13 criminal cause regarding the functions transferred, but those
14 proceedings may be continued by the Department of Central
15 Management Services.

16 This Section does not affect the legality of any rules in
17 the Illinois Administrative Code regarding the functions
18 transferred in this Section that are in force on the effective
19 date of this Section. If necessary, however, the affected
20 agencies shall propose, adopt, or repeal rules, rule
21 amendments, and rule recodifications as appropriate to
22 effectuate this Section.

23 (20 ILCS 405/405-415 new)

24 Sec. 405-415. Transfer of facilities and facility
25 management functions.

26 (a) Notwithstanding any other law to the contrary, the
27 Director of Central Management Services may direct the
28 transfer, to the Department of Central Management Services, of
29 those facilities and facility management functions authorized
30 to be transferred under Executive Order 10 (2003). Upon receipt
31 of the written direction to transfer facilities or facility
32 management functions to the Department of Central Management
33 Services, the personnel, equipment, and property (both real and
34 personal) directly relating to the transferred functions shall
35 be transferred to the Department of Central Management

1 Services, and the relevant documents, records, and
2 correspondence shall be transferred or copied, as the Director
3 may prescribe.

4 (b) Upon receiving written direction from the Director of
5 Central Management Services, the Comptroller and Treasurer are
6 authorized to transfer the unexpended balance of any
7 appropriations related to the facilities or facility
8 management functions transferred to the Department of Central
9 Management Services and shall make the necessary fund transfers
10 from the General Revenue Fund, any special fund in the State
11 Treasury, or any other federal or State trust fund held by the
12 Treasurer to the Facilities Management Revolving Fund for use
13 by the Department of Central Management Services in support of
14 facilities and facility management functions or any other
15 related costs or expenses of the Department of Central
16 Management Services.

17 (c) The Department may adopt rules establishing standards
18 for the maintenance, management, operations, and occupancy of
19 State facilities and the disposition of excess State facilities
20 that are subject to the transfer of ownership and control
21 authorized by Executive Order 10 (2003) and this Section,
22 regardless of whether the Department has actually exercised its
23 rights of ownership and control.

24 Section 10-65. The Personnel Code is amended by adding
25 Section 12f as follows:

26 (20 ILCS 415/12f new)

27 Sec. 12f. Merit compensation/salary grade employees;
28 layoffs.

29 (a) Each State agency shall make every attempt to minimize
30 the number of its employees that are laid off. In an effort to
31 minimize layoffs, each merit compensation/salary grade
32 employee who is subject to layoff shall be offered any vacant
33 positions for the same title held by that employee within the
34 same agency and county from which the employee is subject to

1 layoff and within 2 additional alternate counties designated by
2 the employee (or 3 additional counties if the employee's
3 facility or office is closing), excluding titles that are
4 subject to collective bargaining. If no such vacancies exist,
5 then the employee shall be placed on the agency's reemployment
6 list for (i) the title from which the employee was laid off and
7 (ii) any other titles or successor titles previously held by
8 that employee in which the employee held certified status
9 within the county from which the employee was laid off and
10 within 2 additional alternate counties designated by the
11 employee (or 3 additional counties if the employee's facility
12 or office is closing), excluding titles that are subject to
13 collective bargaining. Laid-off employees shall remain on a
14 reemployment list for 3 years, commencing with the date of
15 layoff.

16 (b) Merit compensation/salary grade employees who are laid
17 off shall be extended the same medical and dental insurance
18 benefits to which employees laid off from positions subject to
19 collective bargaining are entitled and on the same terms.

20 (c) Employees laid off from merit compensation/salary
21 grade positions may apply to be qualified for any titles
22 subject to collective bargaining.

23 (d) Merit compensation/salary grade employees subject to
24 layoff shall be given 30 days' notice of the layoff. A list of
25 all current vacancies of all titles within the agency shall be
26 provided to the employee with the notice of the layoff.

27 Section 10-70. The Department of Commerce and Economic
28 Opportunity Law of the Civil Administrative Code of Illinois is
29 amended by changing Section 605-365 as follows:

30 (20 ILCS 605/605-365) (was 20 ILCS 605/46.19a in part)

31 (Section scheduled to be repealed on September 1, 2004)

32 Sec. 605-365. Technology Innovation and Commercialization
33 Fund. There is hereby created a special fund in the State
34 treasury to be known as the Technology Innovation and

1 Commercialization Fund. The moneys in the Fund may be used,
2 subject to appropriation, only for making grants pursuant to
3 Section 605-355 and for the purposes of the Technology
4 Advancement and Development Act. All royalties received by the
5 Department shall be deposited into the Fund.

6 The Technology Innovation and Commercialization Fund is
7 abolished on August 31, 2004. Any balance remaining in the Fund
8 on that date shall be transferred to the General Revenue Fund.

9 This Section is repealed on September 1, 2004.

10 (Source: P.A. 90-454, eff. 8-16-97; 91-239, eff. 1-1-00.)

11 Section 10-75. The Department of Veterans Affairs Act is
12 amended by changing Section 2 as follows:

13 (20 ILCS 2805/2) (from Ch. 126 1/2, par. 67)

14 Sec. 2. Powers and duties. The Department shall have the
15 following powers and duties:

16 To perform such acts at the request of any veteran, or his
17 or her spouse, surviving spouse or dependents as shall be
18 reasonably necessary or reasonably incident to obtaining or
19 endeavoring to obtain for the requester any advantage, benefit
20 or emolument accruing or due to such person under any law of
21 the United States, the State of Illinois or any other state or
22 governmental agency by reason of the service of such veteran,
23 and in pursuance thereof shall:

24 1. Contact veterans, their survivors and dependents
25 and advise them of the benefits of state and federal laws
26 and assist them in obtaining such benefits;

27 2. Establish field offices and direct the activities of
28 the personnel assigned to such offices;

29 3. Create a volunteer field force of accredited
30 representatives, representing educational institutions,
31 labor organizations, veterans organizations, employers,
32 churches, and farm organizations;

33 4. Conduct informational and training services;

34 5. Conduct educational programs through newspapers,

1 periodicals and radio for the specific purpose of
2 disseminating information affecting veterans and their
3 dependents;

4 6. Coordinate the services and activities of all state
5 departments having services and resources affecting
6 veterans and their dependents;

7 7. Encourage and assist in the coordination of agencies
8 within counties giving service to veterans and their
9 dependents;

10 8. Cooperate with veterans organizations and other
11 governmental agencies;

12 9. Make, alter, amend and promulgate reasonable rules
13 and procedures for the administration of this Act;

14 10. Make and publish annual reports to the Governor
15 regarding the administration and general operation of the
16 Department; and

17 11. Encourage the State to implement more programs to
18 address the wide range of issues faced by Persian Gulf War
19 Veterans, especially those who took part in combat, by
20 creating an official commission to further study Persian
21 Gulf War Diseases. The commission shall consist of 9
22 members appointed as follows: the Speaker and Minority
23 Leader of the House of Representatives and the President
24 and Minority Leader of the Senate shall each appoint one
25 member from the General Assembly, the Governor shall
26 appoint 4 members to represent veterans' organizations,
27 and the Department shall appoint one member. The commission
28 members shall serve without compensation.

29 The Department may accept and hold on behalf of the State,
30 if for the public interest, a grant, gift, devise or bequest of
31 money or property to the Department made for the general
32 benefit of Illinois veterans, including the conduct of
33 informational and training services by the Department and other
34 authorized purposes of the Department. The Department shall
35 cause each grant, gift, devise or bequest to be kept as a
36 distinct fund and shall invest such funds in the manner

1 provided by the Public Funds Investment Act, as now or
2 hereafter amended, and shall make such reports as may be
3 required by the Comptroller concerning what funds are so held
4 and the manner in which such funds are invested. The Department
5 may make grants from these funds for the general benefit of
6 Illinois veterans. Grants from these funds, except for the
7 funds established under Sections 2.01a and 2.03, shall be
8 subject to appropriation.

9 The Department has the power to make grants, from funds
10 appropriated from the Korean War Veterans National Museum and
11 Library Fund, to private organizations for the benefit of the
12 Korean War Veterans National Museum and Library.

13 The Department has the power to make grants, from funds
14 appropriated from the Illinois Military Family Relief Fund, for
15 benefits authorized under the Survivors Compensation Act.

16 (Source: P.A. 92-198, eff. 8-1-01; 92-651, eff. 7-11-02.)

17 Section 10-85. The Illinois Economic and Fiscal Commission
18 Act is amended by changing Section 3 as follows:

19 (25 ILCS 155/3) (from Ch. 63, par. 343)

20 Sec. 3. The Commission shall:

21 (1) Study from time to time and report to the General
22 Assembly on economic development and trends in the State.

23 (2) Make such special economic and fiscal studies as it
24 deems appropriate or desirable or as the General Assembly may
25 request.

26 (3) Based on its studies, recommend such State fiscal and
27 economic policies as it deems appropriate or desirable to
28 improve the functioning of State government and the economy of
29 the various regions within the State.

30 (4) Prepare annually a State economic report.

31 (5) Provide information for all appropriate legislative
32 organizations and personnel on economic trends in relation to
33 long range planning and budgeting.

34 (6) Study and make such recommendations as it deems

1 appropriate to the General Assembly on local and regional
2 economic and fiscal policy and on federal fiscal policy as it
3 may affect Illinois.

4 (7) Review capital expenditures, appropriations and
5 authorizations for both the State's general obligation and
6 revenue bonding authorities. At the direction of the
7 Commission, specific reviews may include economic feasibility
8 reviews of existing or proposed revenue bond projects to
9 determine the accuracy of the original estimate of useful life
10 of the projects, maintenance requirements and ability to meet
11 debt service requirements through their operating expenses.

12 (8) Receive and review all executive agency and revenue
13 bonding authority annual and 3 year plans. The Commission shall
14 prepare a consolidated review of these plans, an updated
15 assessment of current State agency capital plans, a report on
16 the outstanding and unissued bond authorizations, an
17 evaluation of the State's ability to market further bond issues
18 and shall submit them as the "Legislative Capital Plan
19 Analysis" to the House and Senate Appropriations Committees at
20 least once a year. The Commission shall annually submit to the
21 General Assembly on the first Wednesday of April a report on
22 the State's long-term capital needs, with particular emphasis
23 upon and detail of the 5-year period in the immediate future.

24 (9) Study and make recommendations it deems appropriate to
25 the General Assembly on State bond financing, bondability
26 guidelines, and debt management. At the direction of the
27 Commission, specific studies and reviews may take into
28 consideration short and long-run implications of State bonding
29 and debt management policy.

30 (10) Comply with the provisions of the "State Debt Impact
31 Note Act" as now or hereafter amended.

32 (11) Comply with the provisions of the Pension Impact Note
33 Act, as now or hereafter amended.

34 (12) By August 1st of each year, the Commission must
35 prepare and cause to be published a summary report of State
36 appropriations for the State fiscal year beginning the previous

1 July 1st. The summary report must discuss major categories of
2 appropriations, the issues the General Assembly faced in
3 allocating appropriations, comparisons with appropriations for
4 previous State fiscal years, and other matters helpful in
5 providing the citizens of Illinois with an overall
6 understanding of appropriations for that fiscal year. The
7 summary report must be written in plain language and designed
8 for readability. Publication must be in newspapers of general
9 circulation in the various areas of the State to ensure
10 distribution statewide. The summary report must also be
11 published on the General Assembly's web site.

12 (13) Comply with the provisions of the State Facilities
13 Closure Act.

14 The requirement for reporting to the General Assembly shall
15 be satisfied by filing copies of the report with the Speaker,
16 the Minority Leader and the Clerk of the House of
17 Representatives and the President, the Minority Leader and the
18 Secretary of the Senate and the Legislative Research Unit, as
19 required by Section 3.1 of the General Assembly Organization
20 Act, and filing such additional copies with the State
21 Government Report Distribution Center for the General Assembly
22 as is required under paragraph (t) of Section 7 of the State
23 Library Act.

24 (Source: P.A. 92-67, eff. 7-12-01; 93-632, eff. 2-1-04.)

25 Section 10-90. The Fiscal Note Act is amended by changing
26 Section 1 as follows:

27 (25 ILCS 50/1) (from Ch. 63, par. 42.31)

28 Sec. 1. Every bill, except those bills making a direct
29 appropriation, (1) the purpose or effect of which is (i) to
30 expend any State funds or to increase or decrease the revenues
31 of the State, either directly or indirectly, or (ii) to require
32 the expenditure of their own funds by, or to increase or
33 decrease the revenues of, units of local government, school
34 districts or community college districts, or to revise the

1 distribution of State funds among units of local government,
2 school districts, or community college districts, either
3 directly or indirectly, or (2) that amends the Mental Health
4 and Developmental Disabilities Code or the Developmental
5 Disability and Mental Disability Services Act shall have
6 prepared for it prior to second reading in the house of
7 introduction a brief explanatory statement or note which, for a
8 bill under item (1), shall include a reliable estimate of the
9 anticipated change in State, local governmental, school
10 district, or community college district expenditures or
11 revenues under its provisions and, for a bill under item (2),
12 shall include a reliable estimate of the fiscal impact of its
13 provisions upon community agencies. For purposes of this Act,
14 indirect revenues include, but are not limited to, increased
15 tax revenues or other increased revenues resulting from
16 economic development, job creation, or cost reduction. The
17 statement or note shall also include an explanation of the
18 methodology used to determine the estimated direct and indirect
19 costs or estimated impact on community agencies. Any notes for
20 bills having a fiscal impact on units of local government,
21 school districts or community college districts shall include
22 such cost estimates as may be required under the State Mandates
23 Act.

24 If a bill authorizes capital expenditures or appropriates
25 funds for capital expenditures, a statement shall be prepared
26 by the Governor's Office of Management and Budget ~~Bureau of the~~
27 ~~Budget~~ specifying by year any principal and interest payments
28 required to finance such capital expenditures.

29 If a bill authorizes the issuance of bonds, a statement or
30 note shall be prepared by the Governor's Office of Management
31 and Budget specifying the estimated total principal and
32 interest payments (assuming interest is paid at a fixed rate)
33 if all of the bonds authorized were issued. The statement or
34 note shall include the total principal on all other
35 then-outstanding Bonds of the State.

36 These statements or notes shall be known as "fiscal notes".

1 (Source: P.A. 92-567, eff. 1-1-03; revised 8-23-03.)

2 Section 10-95. The State Debt Impact Note Act is amended by
3 changing Section 4 as follows:

4 (25 ILCS 65/4) (from Ch. 63, par. 42.74)

5 Sec. 4. The State Debt Impact Note shall be factual in
6 nature and as brief and concise as possible. For bills which
7 would appropriate from bond funds, the note shall provide a
8 reliable estimate of the impact of the bill on the State's debt
9 service requirements; a description of the estimated useful
10 life and intended use of the project; and maintenance and
11 operating costs associated with the project. For bills which
12 would add new or increase existing bond authorization levels
13 the note shall assess current outstanding, unissued, and
14 retired bond authorization levels and make reasonable
15 projections of the cost associated with the retirement of the
16 additional bonds. The estimated costs shall specify the
17 estimated total principal and interest payments (assuming
18 interest is paid at a fixed rate) if all of the Bonds
19 authorized were issued. The statement or note shall include the
20 total principal on all other then-outstanding Bonds of the
21 State. A brief summary or work sheet of computations used in
22 arriving at State Debt Impact Notes shall be attached.

23 (Source: P.A. 81-615.)

24 Section 10-100. The State Finance Act is amended by
25 changing Sections 6z-32, 8g, 8h, 8.3, 8.12, 9, 13.2, 14, and 25
26 and by adding Sections 5.625, 6z-27.1, 6z-63, 6z-64, 6z-65, 8k,
27 8m, 8.43, 14c, and 24.11 as follows:

28 (30 ILCS 105/5.625 new)

29 Sec. 5.625. The Professional Services Fund.

30 (30 ILCS 105/6z-27.1 new)

31 Sec. 6z-27.1. Transfer from Efficiency Initiative Fund.

1 The sum of \$750,000 is ordered transferred from the Efficiency
2 Initiative Fund to the Comptroller's Administrative Fund to
3 reimburse the Comptroller's office for costs and expenses
4 incurred by that office in relation to efficiency initiatives
5 and agency consolidation, reorganization, and restructuring
6 pursuant to Section 405-292 of the Department of Central
7 Management Services Law of the Civil Administrative Code of
8 Illinois (20 ILCS 405/405-292).

9 (30 ILCS 105/6z-32)

10 Sec. 6z-32. Conservation 2000.

11 (a) The Conservation 2000 Fund and the Conservation 2000
12 Projects Fund are created as special funds in the State
13 Treasury. These funds shall be used to establish a
14 comprehensive program to protect Illinois' natural resources
15 through cooperative partnerships between State government and
16 public and private landowners. Moneys in these Funds may be
17 used, subject to appropriation, by the Environmental
18 Protection Agency and the Departments of Agriculture, Natural
19 Resources, and Transportation for purposes relating to natural
20 resource protection, recreation, tourism, and compatible
21 agricultural and economic development activities. Without
22 limiting these general purposes, moneys in these Funds may be
23 used, subject to appropriation, for the following specific
24 purposes:

25 (1) To foster sustainable agriculture practices and
26 control soil erosion and sedimentation, including grants
27 to Soil and Water Conservation Districts for conservation
28 practice cost-share grants and for personnel, educational,
29 and administrative expenses.

30 (2) To establish and protect a system of ecosystems in
31 public and private ownership through conservation
32 easements, incentives to public and private landowners,
33 including technical assistance and grants, and land
34 acquisition provided these mechanisms are all voluntary on
35 the part of the landowner and do not involve the use of

1 eminent domain.

2 (3) To develop a systematic and long-term program to
3 effectively measure and monitor natural resources and
4 ecological conditions through investments in technology
5 and involvement of scientific experts.

6 (4) To initiate strategies to enhance, use, and
7 maintain Illinois' inland lakes through education,
8 technical assistance, research, and financial incentives.

9 (5) To conduct an extensive review of existing Illinois
10 water laws.

11 (b) The State Comptroller and State Treasurer shall
12 automatically transfer on the last day of each month, beginning
13 on September 30, 1995 and ending on June 30, 2009, from the
14 General Revenue Fund to the Conservation 2000 Fund, an amount
15 equal to 1/10 of the amount set forth below in fiscal year 1996
16 and an amount equal to 1/12 of the amount set forth below in
17 each of the other specified fiscal years:

18 Fiscal Year	Amount
19 1996	\$ 3,500,000
20 1997	\$ 9,000,000
21 1998	\$10,000,000
22 1999	\$11,000,000
23 2000	\$12,500,000
24 2001 through <u>2004</u> 2009	\$14,000,000
25 <u>2005</u>	<u>\$7,000,000</u>
26 <u>2006 through 2009</u>	<u>\$14,000,000</u>

27 (c) There shall be deposited into the Conservation 2000
28 Projects Fund such bond proceeds and other moneys as may, from
29 time to time, be provided by law.

30 (Source: P.A. 90-14, eff. 7-1-97; 90-490, eff. 8-17-97; 91-379,
31 eff. 1-1-00.)

32 (30 ILCS 105/6z-63 new)

33 Sec. 6z-63. The Professional Services Fund.

34 (a) The Professional Services Fund is created as a
35 revolving fund in the State treasury. The following moneys

1 shall be deposited into the Fund:

2 (1) amounts authorized for transfer to the Fund from
3 the General Revenue Fund and other State funds (except for
4 funds classified by the Comptroller as federal trust funds
5 or State trust funds) pursuant to State law or Executive
6 Order;

7 (2) federal funds received by the Department of Central
8 Management Services (the "Department") as a result of
9 expenditures from the Fund;

10 (3) interest earned on moneys in the Fund; and

11 (4) receipts or inter-fund transfers resulting from
12 billings issued by the Department to State agencies for the
13 cost of professional services rendered by the Department
14 that are not compensated through the specific fund
15 transfers authorized by this Section.

16 (b) Moneys in the Fund may be used by the Department for
17 reimbursement or payment for:

18 (1) providing professional services to State agencies;

19 (2) rendering other services at the Governor's
20 direction to State agencies; or

21 (3) providing for payment of administrative and other
22 expenses incurred by the Department in providing
23 professional services.

24 (c) State agencies may direct the Comptroller to process
25 inter-fund transfers or make payment through the voucher and
26 warrant process to the Professional Services Fund in
27 satisfaction of billings issued under subsection (a) of this
28 Section.

29 (d) Reconciliation. The Director of Central Management
30 Services (the "Director") shall order that each State agency's
31 payments and transfers made to the Fund be reconciled with
32 actual Fund costs for professional services provided by the
33 Department on no less than an annual basis. The Director may
34 require reports from State agencies as deemed necessary to
35 perform this reconciliation.

36 (e) The following amounts are authorized for transfer into

the Professional Services Fund for the fiscal year beginning July 1, 2004:

3	<u>General Revenue Fund</u>	<u>.....\$5,440,431</u>
4	<u>Road Fund</u>	<u>.....\$814,468</u>
5	<u>Motor Fuel Tax Fund</u>	<u>.....\$263,500</u>
6	<u>Child Support Administrative Fund</u>	<u>.....\$234,013</u>
7	<u>Professions Indirect Cost Fund</u>	<u>.....\$276,800</u>
8	<u>Capital Development Board Revolving Fund</u>	<u>.....\$207,610</u>
9	<u>Bank & Trust Company Fund</u>	<u>.....\$200,214</u>
10	<u>State Lottery Fund</u>	<u>.....\$193,691</u>
11	<u>Insurance Producer Administration Fund</u>	<u>.....\$174,672</u>
12	<u>Insurance Financial Regulation Fund</u>	<u>.....\$168,327</u>
13	<u>Illinois Clean Water Fund</u>	<u>.....\$124,675</u>
14	<u>Clean Air Act (CAA) Permit Fund</u>	<u>..... \$91,803</u>
15	<u>Statistical Services Revolving Fund</u>	<u>..... \$90,959</u>
16	<u>Financial Institution Fund</u>	<u>.....\$109,428</u>
17	<u>Horse Racing Fund</u>	<u>..... \$71,127</u>
18	<u>Health Insurance Reserve Fund</u>	<u>..... \$66,577</u>
19	<u>Solid Waste Management Fund</u>	<u>..... \$61,081</u>
20	<u>Guardianship and Advocacy Fund</u>	<u>.....\$1,068</u>
21	<u>Agricultural Premium Fund</u>	<u>.....\$493</u>
22	<u>Wildlife and Fish Fund</u>	<u>.....\$247</u>
23	<u>Radiation Protection Fund</u>	<u>..... \$33,277</u>
24	<u>Nuclear Safety Emergency Preparedness Fund</u>	<u>..... \$25,652</u>
25	<u>Tourism Promotion Fund</u>	<u>.....\$6,814</u>

All of these transfers shall be made on July 1, 2004, or as soon thereafter as practical. These transfers shall be made notwithstanding any other provision of State law to the contrary.

(f) The term "professional services" means services rendered on behalf of State agencies pursuant to Section 405-293 of the Department of Central Management Services Law of the Civil Administrative Code of Illinois.

(30 ILCS 105/6z-64 new)

Sec. 6z-64. The Workers' Compensation Revolving Fund.

1 (a) The Workers' Compensation Revolving Fund is created as
2 a revolving fund in the State treasury. The following moneys
3 shall be deposited into the Fund:

4 (1) amounts authorized for transfer to the Fund from
5 the General Revenue Fund and other State funds (except for
6 funds classified by the Comptroller as federal trust funds
7 or State trust funds) pursuant to State law or Executive
8 Order;

9 (2) federal funds received by the Department of Central
10 Management Services (the "Department") as a result of
11 expenditures from the Fund;

12 (3) interest earned on moneys in the Fund;

13 (4) receipts or inter-fund transfers resulting from
14 billings issued by the Department to State agencies for the
15 cost of workers' compensation services rendered by the
16 Department that are not compensated through the specific
17 fund transfers authorized by this Section, if any;

18 (5) amounts received from a State agency or university
19 for workers' compensation payments for temporary total
20 disability, as provided in Section 405-105 of the
21 Department of Central Management Services Law of the Civil
22 Administrative Code of Illinois; and

23 (6) amounts recovered through subrogation in workers'
24 compensation and workers' occupational disease cases.

25 (b) Moneys in the Fund may be used by the Department for
26 reimbursement or payment for:

27 (1) providing workers' compensation services to State
28 agencies and State universities; or

29 (2) providing for payment of administrative and other
30 expenses incurred by the Department in providing workers'
31 compensation services.

32 (c) State agencies may direct the Comptroller to process
33 inter-fund transfers or make payment through the voucher and
34 warrant process to the Workers' Compensation Revolving Fund in
35 satisfaction of billings issued under subsection (a) of this
36 Section.

1 (d) Reconciliation. The Director of Central Management
2 Services (the "Director") shall order that each State agency's
3 payments and transfers made to the Fund be reconciled with
4 actual Fund costs for workers' compensation services provided
5 by the Department and attributable to the State agency and
6 relevant fund on no less than an annual basis. The Director may
7 require reports from State agencies as deemed necessary to
8 perform this reconciliation.

9 (e) The term "workers' compensation services" means
10 services, claims expenses, and related administrative costs
11 incurred in performing the functions consolidated within the
12 Department of Central Management Services under Section
13 405-411 of the Department of Central Management Services Law of
14 the Civil Administrative Code of Illinois.

15 (30 ILCS 105/6z-65 new)

16 Sec. 6z-65. The Facilities Management Revolving Fund.

17 (a) The Facilities Management Revolving Fund is created as
18 a revolving fund in the State treasury. The following moneys
19 shall be deposited into the Fund:

20 (1) amounts authorized for transfer to the Fund from
21 the General Revenue Fund and other State funds (except for
22 funds classified by the Comptroller as federal trust funds
23 or State trust funds) pursuant to State law or Executive
24 Order;

25 (2) federal funds received by the Department of Central
26 Management Services (the "Department") as a result of
27 expenditures from the Fund;

28 (3) interest earned on moneys in the Fund;

29 (4) receipts or inter-fund transfers resulting from
30 billings issued by the Department to State agencies for the
31 cost of facilities management services rendered by the
32 Department that are not compensated through the specific
33 fund transfers authorized by this Section, if any; and

34 (5) fees from the lease, rental, use, or occupancy of
35 State facilities managed, operated, or maintained by the

1 Department.

2 (b) Moneys in the Fund may be used by the Department for
3 reimbursement or payment for:

4 (1) the acquisition and operation of State facilities,
5 including, without limitation, rental or installment
6 payments and interest, personal services, utilities,
7 maintenance, and remodeling; or

8 (2) providing for payment of administrative and other
9 expenses incurred by the Department in providing
10 facilities management services.

11 (c) State agencies may direct the Comptroller to process
12 inter-fund transfers or make payment through the voucher and
13 warrant process to the Facilities Management Revolving Fund in
14 satisfaction of billings issued under subsection (a) of this
15 Section.

16 (d) Reconciliation. The Director of Central Management
17 Services (the "Director") shall order that each State agency's
18 payments and transfers made to the Fund be reconciled with
19 actual Fund costs for facilities management services provided
20 by the Department and attributable to the State agency and
21 relevant fund on no less than an annual basis. The Director may
22 require reports from State agencies as deemed necessary to
23 perform this reconciliation.

24 (e) The term "facilities management services" means
25 services performed by the Department in providing for the
26 acquisition, occupancy, management, and operation of State
27 owned and leased buildings, facilities, structures, grounds,
28 or the real property under management of the Department.

29 (30 ILCS 105/8.12) (from Ch. 127, par. 144.12)

30 Sec. 8.12. State Pensions Fund.

31 (a) The moneys in the State Pensions Fund shall be used
32 exclusively for the administration of the Uniform Disposition
33 of Unclaimed Property Act and for the payment of or repayment
34 to the General Revenue Fund a portion of the required State
35 contributions to the designated retirement systems.

1 "Designated retirement systems" means:

2 (1) the State Employees' Retirement System of
3 Illinois;

4 (2) the Teachers' Retirement System of the State of
5 Illinois;

6 (3) the State Universities Retirement System;

7 (4) the Judges Retirement System of Illinois; and

8 (5) the General Assembly Retirement System.

9 (b) Each year the General Assembly may make appropriations
10 from the State Pensions Fund for the administration of the
11 Uniform Disposition of Unclaimed Property Act.

12 Each month, the Commissioner of the Office of Banks and
13 Real Estate shall certify to the State Treasurer the actual
14 expenditures that the Office of Banks and Real Estate incurred
15 conducting unclaimed property examinations under the Uniform
16 Disposition of Unclaimed Property Act during the immediately
17 preceding month. Within a reasonable time following the
18 acceptance of such certification by the State Treasurer, the
19 State Treasurer shall pay from its appropriation from the State
20 Pensions Fund to the Bank and Trust Company Fund and the
21 Savings and Residential Finance Regulatory Fund an amount equal
22 to the expenditures incurred by each Fund for that month.

23 Each month, the Director of Financial Institutions shall
24 certify to the State Treasurer the actual expenditures that the
25 Department of Financial Institutions incurred conducting
26 unclaimed property examinations under the Uniform Disposition
27 of Unclaimed Property Act during the immediately preceding
28 month. Within a reasonable time following the acceptance of
29 such certification by the State Treasurer, the State Treasurer
30 shall pay from its appropriation from the State Pensions Fund
31 to the Financial Institutions Fund and the Credit Union Fund an
32 amount equal to the expenditures incurred by each Fund for that
33 month.

34 (c) As soon as possible after the effective date of this
35 amendatory Act of the 93rd General Assembly, the General
36 Assembly shall appropriate from the State Pensions Fund (1) to

1 the State Universities Retirement System the amount certified
2 under Section 15-165 during the prior year, (2) to the Judges
3 Retirement System of Illinois the amount certified under
4 Section 18-140 during the prior year, and (3) to the General
5 Assembly Retirement System the amount certified under Section
6 2-134 during the prior year as part of the required State
7 contributions to each of those designated retirement systems;
8 except that amounts appropriated under this subsection (c) in
9 State fiscal year 2005 shall not reduce the amount in the State
10 Pensions Fund below \$5,000,000. If the amount in the State
11 Pensions Fund does not exceed the sum of the amounts certified
12 in Sections 15-165, 18-140, and 2-134 by at least \$5,000,000,
13 the amount paid to each designated retirement system under this
14 subsection shall be reduced in proportion to the amount
15 certified by each of those designated retirement systems. For
16 each State fiscal year beginning with State fiscal year 2006,
17 ~~Each year~~ the General Assembly shall appropriate a total amount
18 equal to the balance in the State Pensions Fund at the close of
19 business on June 30 of the preceding fiscal year, less
20 \$5,000,000, as part of the required State contributions to the
21 designated retirement systems. The amount of the appropriation
22 to ~~each~~ designated retirement systems ~~system~~ shall constitute a
23 portion of the total appropriation under this subsection for
24 that fiscal year which is the same as that retirement system's
25 portion of the total actuarial reserve deficiency of the
26 systems, as most recently determined by the Governor's Office
27 of Management and Budget.

28 (d) The Governor's Office of Management and Budget shall
29 determine the individual and total reserve deficiencies of the
30 designated retirement systems. For this purpose, the
31 Governor's Office of Management and Budget shall utilize the
32 latest available audit and actuarial reports of each of the
33 retirement systems and the relevant reports and statistics of
34 the Public Employee Pension Fund Division of the Department of
35 Insurance.

36 (d-1) As soon as practicable after the effective date of

1 this amendatory Act of the 93rd General Assembly, the
 2 Comptroller shall direct and the Treasurer shall transfer from
 3 the State Pensions Fund to the General Revenue Fund, as funds
 4 become available, a sum equal to the amounts that would have
 5 been paid from the State Pensions Fund to the Teachers'
 6 Retirement System of the State of Illinois, the State
 7 Universities Retirement System, the Judges Retirement System
 8 of Illinois, the General Assembly Retirement System, and the
 9 State Employees' Retirement System of Illinois after the
 10 effective date of this amendatory Act during the remainder of
 11 fiscal year 2004 to the designated retirement systems from the
 12 appropriations provided for in this Section if the transfers
 13 provided in Section 6z-61 had not occurred. The transfers
 14 described in this subsection (d-1) are to partially repay the
 15 General Revenue Fund for the costs associated with the bonds
 16 used to fund the moneys transferred to the designated
 17 retirement systems under Section 6z-61.

18 (e) The changes to this Section made by this amendatory Act
 19 of 1994 shall first apply to distributions from the Fund for
 20 State fiscal year 1996.

21 (Source: P.A. 93-665, eff. 3-5-04.)

22 (30 ILCS 105/8.43 new)

23 Sec. 8.43. Special fund transfers.

24 (a) In order to maintain the integrity of special funds and
 25 improve stability in the General Revenue Fund, the following
 26 transfers are authorized from the designated funds into the
 27 General Revenue Fund:

28	<u>SECRETARY OF STATE SPECIAL LICENSE</u>	
29	<u>PLATE FUND</u>	<u>\$856,000</u>
30	<u>SECURITIES INVESTORS EDUCATION FUND</u>	<u>\$3,271,000</u>
31	<u>SECURITIES AUDIT & ENFORCEMENT FUND</u>	<u>\$17,014,000</u>
32	<u>DEPARTMENT OF BUSINESS SERVICES SPECIAL</u>	
33	<u>OPERATIONS FUND</u>	<u>\$524,000</u>
34	<u>SECRETARY OF STATE SPECIAL SERVICES FUND</u>	<u>\$600,000</u>
35	<u>SECRETARY OF STATE DUI ADMINISTRATION FUND</u>	<u>\$582,000</u>

1	<u>FOOD & DRUG SAFETY FUND</u>	\$817,000
2	<u>TRANSPORTATION REGULATORY FUND</u>	\$2,379,000
3	<u>FINANCIAL INSTITUTION FUND</u>	\$2,003,000
4	<u>GENERAL PROFESSIONS DEDICATED FUND</u>	\$497,000
5	<u>DRIVERS EDUCATION FUND</u>	\$2,967,000
6	<u>STATE BOATING ACT FUND</u>	\$1,072,000
7	<u>AGRICULTURAL PREMIUM FUND</u>	\$7,777,000
8	<u>PUBLIC UTILITY FUND</u>	\$8,202,000
9	<u>RADIATION PROTECTION FUND</u>	\$750,000
10	<u>SOLID WASTE MANAGEMENT FUND</u>	\$10,084,000
11	<u>SUBTITLE D MANAGEMENT FUND</u>	\$3,006,000
12	<u>PLUGGING AND RESTORATION FUND</u>	\$1,255,000
13	<u>REGISTERED CERTIFIED PUBLIC ACCOUNTANTS</u>	
14	<u>ADMINISTRATION AND DISCIPLINARY FUND</u>	\$819,000
15	<u>WEIGHTS AND MEASURES FUND</u>	\$1,800,000
16	<u>SOLID WASTE MANAGEMENT REVOLVING LOAN FUND</u>	\$647,000
17	<u>RESPONSE CONTRACTORS INDEMNIFICATION FUND</u>	\$107,000
18	<u>CAPITAL DEVELOPMENT BOARD REVOLVING LOAN FUND</u>	\$1,229,000
19	<u>PROFESSIONS INDIRECT COST FUND</u>	\$39,000
20	<u>ILLINOIS HEALTH FACILITIES PLANNING FUND</u>	\$2,351,000
21	<u>OPTOMETRIC LICENSING AND DISCIPLINARY</u>	
22	<u>BOARD FUND</u>	\$1,121,000
23	<u>STATE RAIL FREIGHT LOAN REPAYMENT FUND</u>	\$3,500,000
24	<u>ILLINOIS TAX INCREMENT FUND</u>	\$1,500,000
25	<u>USED TIRE MANAGEMENT FUND</u>	\$3,278,000
26	<u>AUDIT EXPENSE FUND</u>	\$1,237,000
27	<u>INSURANCE PREMIUM TAX REFUND FUND</u>	\$2,500,000
28	<u>CORPORATE FRANCHISE TAX REFUND FUND</u>	\$1,650,000
29	<u>TAX COMPLIANCE AND ADMINISTRATION FUND</u>	\$9,513,000
30	<u>APPRAISAL ADMINISTRATION FUND</u>	\$1,107,000
31	<u>STATE ASSET FORFEITURE FUND</u>	\$1,500,000
32	<u>FEDERAL ASSET FORFEITURE FUND</u>	\$3,943,000
33	<u>DEPARTMENT OF CORRECTIONS REIMBURSEMENT</u>	
34	<u>AND EDUCATION FUND</u>	\$14,500,000
35	<u>LEADS MAINTENANCE FUND</u>	\$2,000,000
36	<u>STATE OFFENDER DNA IDENTIFICATION SYSTEM FUND</u>	\$250,000

1 WORKFORCE, TECHNOLOGY, AND ECONOMIC

2 DEVELOPMENT FUND\$1,500,000

3 RENEWABLE ENERGY RESOURCES TRUST FUND\$9,510,000

4 ENERGY EFFICIENCY TRUST FUND\$3,040,000

5 CONSERVATION 2000 FUND\$7,439,000

6 HORSE RACING FUND\$2,500,000

7 STATE POLICE WIRELESS SERVICE EMERGENCY FUND\$500,000

8 WHISTLEBLOWER REWARD AND PROTECTION FUND\$750,000

9 TOBACCO SETTLEMENT RECOVERY FUND \$19,300,000

10 PRESIDENTIAL LIBRARY AND MUSEUM FUND\$500,000

11 MEDICAL SPECIAL PURPOSES TRUST FUND\$967,000

12 DRAM SHOP FUND\$1,517,000

13 DESIGN PROFESSIONALS ADMINISTRATION AND

14 INVESTIGATION FUND\$1,172,000

15 ILLINOIS FORESTRY DEVELOPMENT FUND\$1,257,000

16 STATE POLICE SERVICES FUND\$250,000

17 METABOLIC SCREENING AND TREATMENT FUND\$3,435,000

18 INSURANCE PRODUCER ADMINISTRATION FUND \$12,727,000

19 LOW-LEVEL RADIOACTIVE WASTE FACILITY

20 DEVELOPMENT AND OPERATION FUND\$2,202,000

21 LOW-LEVEL RADIOACTIVE WASTE FACILITY CLOSURE,

22 POST-CLOSURE CARE AND COMPENSATION FUND\$6,000,000

23 ENVIRONMENTAL PROTECTION PERMIT AND

24 INSPECTION FUND\$874,000

25 PARK AND CONSERVATION FUND\$1,000,000

26 PUBLIC INFRASTRUCTURE CONSTRUCTION LOAN

27 REVOLVING FUND\$1,822,000

28 LOBBYIST REGISTRATION ADMINISTRATION FUND\$327,000

29 DIVISION OF CORPORATIONS REGISTERED

30 LIMITED LIABILITY PARTNERSHIP FUND\$356,000

31 WORKING CAPITAL REVOLVING FUND

32 (30 ILCS 105/6) \$12,000,000

33 All of these transfers shall be made on the effective date

34 of this amendatory Act of the 93rd General Assembly, or as soon

35 thereafter as practical. These transfers shall be made

36 notwithstanding any other provision of State law to the

1 contrary.

2 (b) On and after the effective date of this amendatory Act
3 of the 93rd General Assembly through June 30, 2005, when any of
4 the funds listed in subsection (a) have insufficient cash from
5 which the State Comptroller may make expenditures properly
6 supported by appropriations from the fund, then the State
7 Treasurer and State Comptroller shall transfer from the General
8 Revenue Fund to the fund only such amount as is immediately
9 necessary to satisfy outstanding expenditure obligations on a
10 timely basis, subject to the provisions of the State Prompt
11 Payment Act. Any amounts transferred from the General Revenue
12 Fund to a fund pursuant to this subsection (b) from time to
13 time shall be re-transferred by the State Comptroller and the
14 State Treasurer from the receiving fund into the General
15 Revenue Fund as soon as and to the extent that deposits are
16 made into or receipts are collected by the receiving fund. In
17 all events, the full amounts of all transfers from the General
18 Revenue Fund to receiving funds shall be re-transferred to the
19 General Revenue Fund no later than June 30, 2005.

20 (c) The sum of \$57,700,000 shall be transferred, pursuant
21 to appropriation, from the State Pensions Fund to the
22 designated retirement systems (as defined in Section 8.12 of
23 the State Finance Act) on the effective date of this amendatory
24 Act of the 93rd General Assembly, or as soon thereafter as
25 practical. On April 16, 2005, or as soon thereafter as
26 practical, there shall be transferred, pursuant to
27 appropriation, from the State Pensions Fund to the designated
28 retirement systems (as defined in Section 8.12 of the State
29 Finance Act) the lesser of (i) an amount equal to the balance
30 in the State Pensions Fund on April 16, 2005, minus an amount
31 equal to 75% of the total amount of fiscal year 2005
32 appropriations from the State Pensions Fund that were
33 appropriated to the State Treasurer for administration of the
34 Uniform Disposition of Unclaimed Property Act or (ii)
35 \$35,000,000. These transfers are intended to be all or part of
36 the transfer required under Section 8.12 of the State Finance

1 Act for fiscal year 2005.

2 (d) The sum of \$49,775,000 shall be transferred from the
3 School Technology Revolving Loan Fund to the Common School Fund
4 on the effective date of this amendatory Act of the 93rd
5 General Assembly, or as soon thereafter as practical,
6 notwithstanding any other provision of State law to the
7 contrary.

8 (e) The sum of \$80,000,000 shall be transferred from the
9 General Revenue Fund to the State Pensions Fund on the
10 effective date of this amendatory Act of the 93rd General
11 Assembly, or as soon thereafter as practical.

12 (30 ILCS 105/8g)

13 Sec. 8g. Fund transfers ~~Transfers from General Revenue~~
14 ~~Fund.~~

15 (a) In addition to any other transfers that may be provided
16 for by law, as soon as may be practical after the effective
17 date of this amendatory Act of the 91st General Assembly, the
18 State Comptroller shall direct and the State Treasurer shall
19 transfer the sum of \$10,000,000 from the General Revenue Fund
20 to the Motor Vehicle License Plate Fund created by Senate Bill
21 1028 of the 91st General Assembly.

22 (b) In addition to any other transfers that may be provided
23 for by law, as soon as may be practical after the effective
24 date of this amendatory Act of the 91st General Assembly, the
25 State Comptroller shall direct and the State Treasurer shall
26 transfer the sum of \$25,000,000 from the General Revenue Fund
27 to the Fund for Illinois' Future created by Senate Bill 1066 of
28 the 91st General Assembly.

29 (c) In addition to any other transfers that may be provided
30 for by law, on August 30 of each fiscal year's license period,
31 the Illinois Liquor Control Commission shall direct and the
32 State Comptroller and State Treasurer shall transfer from the
33 General Revenue Fund to the Youth Alcoholism and Substance
34 Abuse Prevention Fund an amount equal to the number of retail
35 liquor licenses issued for that fiscal year multiplied by \$50.

1 (d) The payments to programs required under subsection (d)
2 of Section 28.1 of the Horse Racing Act of 1975 shall be made,
3 pursuant to appropriation, from the special funds referred to
4 in the statutes cited in that subsection, rather than directly
5 from the General Revenue Fund.

6 Beginning January 1, 2000, on the first day of each month,
7 or as soon as may be practical thereafter, the State
8 Comptroller shall direct and the State Treasurer shall transfer
9 from the General Revenue Fund to each of the special funds from
10 which payments are to be made under Section 28.1(d) of the
11 Horse Racing Act of 1975 an amount equal to 1/12 of the annual
12 amount required for those payments from that special fund,
13 which annual amount shall not exceed the annual amount for
14 those payments from that special fund for the calendar year
15 1998. The special funds to which transfers shall be made under
16 this subsection (d) include, but are not necessarily limited
17 to, the Agricultural Premium Fund; the Metropolitan Exposition
18 Auditorium and Office Building Fund; the Fair and Exposition
19 Fund; the Standardbred Breeders Fund; the Thoroughbred
20 Breeders Fund; and the Illinois Veterans' Rehabilitation Fund.

21 (e) In addition to any other transfers that may be provided
22 for by law, as soon as may be practical after the effective
23 date of this amendatory Act of the 91st General Assembly, but
24 in no event later than June 30, 2000, the State Comptroller
25 shall direct and the State Treasurer shall transfer the sum of
26 \$15,000,000 from the General Revenue Fund to the Fund for
27 Illinois' Future.

28 (f) In addition to any other transfers that may be provided
29 for by law, as soon as may be practical after the effective
30 date of this amendatory Act of the 91st General Assembly, but
31 in no event later than June 30, 2000, the State Comptroller
32 shall direct and the State Treasurer shall transfer the sum of
33 \$70,000,000 from the General Revenue Fund to the Long-Term Care
34 Provider Fund.

35 (f-1) In fiscal year 2002, in addition to any other
36 transfers that may be provided for by law, at the direction of

1 and upon notification from the Governor, the State Comptroller
2 shall direct and the State Treasurer shall transfer amounts not
3 exceeding a total of \$160,000,000 from the General Revenue Fund
4 to the Long-Term Care Provider Fund.

5 (g) In addition to any other transfers that may be provided
6 for by law, on July 1, 2001, or as soon thereafter as may be
7 practical, the State Comptroller shall direct and the State
8 Treasurer shall transfer the sum of \$1,200,000 from the General
9 Revenue Fund to the Violence Prevention Fund.

10 (h) In each of fiscal years 2002 through 2004 ~~2007~~, but not
11 thereafter, in addition to any other transfers that may be
12 provided for by law, the State Comptroller shall direct and the
13 State Treasurer shall transfer \$5,000,000 from the General
14 Revenue Fund to the Tourism Promotion Fund.

15 (i) On or after July 1, 2001 and until May 1, 2002, in
16 addition to any other transfers that may be provided for by
17 law, at the direction of and upon notification from the
18 Governor, the State Comptroller shall direct and the State
19 Treasurer shall transfer amounts not exceeding a total of
20 \$80,000,000 from the General Revenue Fund to the Tobacco
21 Settlement Recovery Fund. Any amounts so transferred shall be
22 re-transferred by the State Comptroller and the State Treasurer
23 from the Tobacco Settlement Recovery Fund to the General
24 Revenue Fund at the direction of and upon notification from the
25 Governor, but in any event on or before June 30, 2002.

26 (i-1) On or after July 1, 2002 and until May 1, 2003, in
27 addition to any other transfers that may be provided for by
28 law, at the direction of and upon notification from the
29 Governor, the State Comptroller shall direct and the State
30 Treasurer shall transfer amounts not exceeding a total of
31 \$80,000,000 from the General Revenue Fund to the Tobacco
32 Settlement Recovery Fund. Any amounts so transferred shall be
33 re-transferred by the State Comptroller and the State Treasurer
34 from the Tobacco Settlement Recovery Fund to the General
35 Revenue Fund at the direction of and upon notification from the
36 Governor, but in any event on or before June 30, 2003.

(j) On or after July 1, 2001 and no later than June 30, 2002, in addition to any other transfers that may be provided for by law, at the direction of and upon notification from the Governor, the State Comptroller shall direct and the State Treasurer shall transfer amounts not to exceed the following sums into the Statistical Services Revolving Fund:

From the General Revenue Fund	\$8,450,000
From the Public Utility Fund	1,700,000
From the Transportation Regulatory Fund	2,650,000
From the Title III Social Security and Employment Fund	3,700,000
From the Professions Indirect Cost Fund	4,050,000
From the Underground Storage Tank Fund	550,000
From the Agricultural Premium Fund	750,000
From the State Pensions Fund	200,000
From the Road Fund	2,000,000
From the Health Facilities Planning Fund	1,000,000
From the Savings and Residential Finance Regulatory Fund	130,800
From the Appraisal Administration Fund	28,600
From the Pawnbroker Regulation Fund	3,600
From the Auction Regulation Administration Fund	35,800
From the Bank and Trust Company Fund.....	634,800
From the Real Estate License Administration Fund	313,600

(k) In addition to any other transfers that may be provided for by law, as soon as may be practical after the effective date of this amendatory Act of the 92nd General Assembly, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$2,000,000 from the General Revenue Fund to the Teachers Health Insurance Security Fund.

(k-1) In addition to any other transfers that may be provided for by law, on July 1, 2002, or as soon as may be practical thereafter, the State Comptroller shall direct and

1 the State Treasurer shall transfer the sum of \$2,000,000 from
2 the General Revenue Fund to the Teachers Health Insurance
3 Security Fund.

4 (k-2) In addition to any other transfers that may be
5 provided for by law, on July 1, 2003, or as soon as may be
6 practical thereafter, the State Comptroller shall direct and
7 the State Treasurer shall transfer the sum of \$2,000,000 from
8 the General Revenue Fund to the Teachers Health Insurance
9 Security Fund.

10 (k-3) On or after July 1, 2002 and no later than June 30,
11 2003, in addition to any other transfers that may be provided
12 for by law, at the direction of and upon notification from the
13 Governor, the State Comptroller shall direct and the State
14 Treasurer shall transfer amounts not to exceed the following
15 sums into the Statistical Services Revolving Fund:

16	Appraisal Administration Fund	\$150,000
17	General Revenue Fund	10,440,000
18	Savings and Residential Finance	
19	Regulatory Fund	200,000
20	State Pensions Fund	100,000
21	Bank and Trust Company Fund	100,000
22	Professions Indirect Cost Fund	3,400,000
23	Public Utility Fund	2,081,200
24	Real Estate License Administration Fund	150,000
25	Title III Social Security and	
26	Employment Fund	1,000,000
27	Transportation Regulatory Fund	3,052,100
28	Underground Storage Tank Fund	50,000

29 (l) In addition to any other transfers that may be provided
30 for by law, on July 1, 2002, or as soon as may be practical
31 thereafter, the State Comptroller shall direct and the State
32 Treasurer shall transfer the sum of \$3,000,000 from the General
33 Revenue Fund to the Presidential Library and Museum Operating
34 Fund.

35 (m) In addition to any other transfers that may be provided
36 for by law, on July 1, 2002 and on the effective date of this

1 amendatory Act of the 93rd General Assembly, or as soon
2 thereafter as may be practical, the State Comptroller shall
3 direct and the State Treasurer shall transfer the sum of
4 \$1,200,000 from the General Revenue Fund to the Violence
5 Prevention Fund.

6 (n) In addition to any other transfers that may be provided
7 for by law, on July 1, 2003, or as soon thereafter as may be
8 practical, the State Comptroller shall direct and the State
9 Treasurer shall transfer the sum of \$6,800,000 from the General
10 Revenue Fund to the DHS Recoveries Trust Fund.

11 (o) On or after July 1, 2003, and no later than June 30,
12 2004, in addition to any other transfers that may be provided
13 for by law, at the direction of and upon notification from the
14 Governor, the State Comptroller shall direct and the State
15 Treasurer shall transfer amounts not to exceed the following
16 sums into the Vehicle Inspection Fund:

17 From the Underground Storage Tank Fund\$35,000,000.

18 (p) On or after July 1, 2003 and until May 1, 2004, in
19 addition to any other transfers that may be provided for by
20 law, at the direction of and upon notification from the
21 Governor, the State Comptroller shall direct and the State
22 Treasurer shall transfer amounts not exceeding a total of
23 \$80,000,000 from the General Revenue Fund to the Tobacco
24 Settlement Recovery Fund. Any amounts so transferred shall be
25 re-transferred from the Tobacco Settlement Recovery Fund to the
26 General Revenue Fund at the direction of and upon notification
27 from the Governor, but in any event on or before June 30, 2004.

28 (q) In addition to any other transfers that may be provided
29 for by law, on July 1, 2003, or as soon as may be practical
30 thereafter, the State Comptroller shall direct and the State
31 Treasurer shall transfer the sum of \$5,000,000 from the General
32 Revenue Fund to the Illinois Military Family Relief Fund.

33 (r) In addition to any other transfers that may be provided
34 for by law, on July 1, 2003, or as soon as may be practical
35 thereafter, the State Comptroller shall direct and the State
36 Treasurer shall transfer the sum of \$1,922,000 from the General

1 Revenue Fund to the Presidential Library and Museum Operating
2 Fund.

3 (s) In addition to any other transfers that may be provided
4 for by law, on or after July 1, 2003, the State Comptroller
5 shall direct and the State Treasurer shall transfer the sum of
6 \$4,800,000 from the Statewide Economic Development Fund to the
7 General Revenue Fund.

8 (t) In addition to any other transfers that may be provided
9 for by law, on or after July 1, 2003, the State Comptroller
10 shall direct and the State Treasurer shall transfer the sum of
11 \$50,000,000 from the General Revenue Fund to the Budget
12 Stabilization Fund.

13 (u) On or after July 1, 2004 and until May 1, 2005, in
14 addition to any other transfers that may be provided for by
15 law, at the direction of and upon notification from the
16 Governor, the State Comptroller shall direct and the State
17 Treasurer shall transfer amounts not exceeding a total of
18 \$80,000,000 from the General Revenue Fund to the Tobacco
19 Settlement Recovery Fund. Any amounts so transferred shall be
20 retransferred by the State Comptroller and the State Treasurer
21 from the Tobacco Settlement Recovery Fund to the General
22 Revenue Fund at the direction of and upon notification from the
23 Governor, but in any event on or before June 30, 2005.

24 (v) In addition to any other transfers that may be provided
25 for by law, on July 1, 2004, or as soon thereafter as may be
26 practical, the State Comptroller shall direct and the State
27 Treasurer shall transfer the sum of \$1,200,000 from the General
28 Revenue Fund to the Violence Prevention Fund.

29 (w) In addition to any other transfers that may be provided
30 for by law, on July 1, 2004, or as soon thereafter as may be
31 practical, the State Comptroller shall direct and the State
32 Treasurer shall transfer the sum of \$6,445,000 from the General
33 Revenue Fund to the Presidential Library and Museum Operating
34 Fund.

35 (Source: P.A. 92-11, eff. 6-11-01; 92-505, eff. 12-20-01;
36 92-600, eff. 6-28-02; 93-32, eff. 6-20-03; 93-648, eff.

1 1-8-04.)

2 (30 ILCS 105/8h)

3 Sec. 8h. Transfers to General Revenue Fund.

4 (a) Except as provided in subsection (b), notwithstanding
5 any other State law to the contrary, the Governor ~~Director of~~
6 ~~the Governor's Office of Management and Budget~~ may, through
7 June 30, 2007, from time to time direct the State Treasurer and
8 Comptroller to transfer a specified sum from any fund held by
9 the State Treasurer to the General Revenue Fund in order to
10 help defray the State's operating costs for the fiscal year.
11 The total transfer under this Section from any fund in any
12 fiscal year shall not exceed the lesser of (i) 8% of the
13 revenues to be deposited into the fund during that fiscal year
14 or (ii) an amount that leaves a remaining fund balance of 25%
15 of the July 1 fund balance of that fiscal year ~~of the beginning~~
16 ~~balance in the fund.~~ In fiscal year 2005 only, prior to
17 calculating the July 1, 2004 final balances, the Governor may
18 calculate and direct the State Treasurer with the Comptroller
19 to transfer additional amounts determined by applying the
20 formula authorized in this amendatory Act of the 93rd General
21 Assembly to the funds balances on July 1, 2003. No transfer may
22 be made from a fund under this Section that would have the
23 effect of reducing the available balance in the fund to an
24 amount less than the amount remaining unexpended and unreserved
25 from the total appropriation from that fund estimated to be
26 expended for that fiscal year. This Section does not apply to
27 any funds that are restricted by federal law to a specific use
28 or to any funds in the Motor Fuel Tax Fund, the Hospital
29 Provider Fund, or the Medicaid Provider Relief Fund.
30 Notwithstanding any other provision of this Section, for fiscal
31 year 2004, the total transfer under this Section from the Road
32 Fund or the State Construction Account Fund shall not exceed
33 the lesser of (i) 5% of the revenues to be deposited into the
34 fund during that fiscal year or (ii) 25% of the beginning
35 balance in the fund. For fiscal year 2005 through fiscal year

1 2007, no amounts may be transferred under this Section from the
2 Road Fund, the State Construction Account Fund, the Criminal
3 Justice Information Systems Trust Fund, the Wireless Carrier
4 Reimbursement Fund, or the Mandatory Arbitration Fund.

5 In determining the available balance in a fund, the
6 ~~Governor Director of the Governor's Office of Management and~~
7 ~~Budget~~ may include receipts, transfers into the fund, and other
8 resources anticipated to be available in the fund in that
9 fiscal year.

10 The State Treasurer and Comptroller shall transfer the
11 amounts designated under this Section as soon as may be
12 practicable after receiving the direction to transfer from the
13 ~~Governor Director of the Governor's Office of Management and~~
14 ~~Budget~~.

15 (b) This Section does not apply to any fund established
16 under the Community Senior Services and Resources Act.

17 (Source: P.A. 93-32, eff. 6-20-03; 93-659, eff. 2-3-04; 93-674,
18 eff. 6-10-04; 93-714, eff. 7-12-04; revised 7-20-04.)

19 (30 ILCS 105/8k new)

20 Sec. 8k. Interfund transfers from inactive funds.
21 Notwithstanding any other provision of law to the contrary, on
22 June 30, 2004, or as soon thereafter as may be practical, the
23 State Comptroller shall direct and the State Treasurer shall
24 transfer the remaining balance from the designated funds into
25 the General Revenue Fund:

26 (1) the Grape and Wine Resources Fund; and

27 (2) the Statewide Economic Development Fund.

28 (30 ILCS 105/8m new)

29 Sec. 8m. Transfers from the Board of Higher Education State
30 Projects Fund. On September 1, 2004, or as soon thereafter as
31 may be practical, the Comptroller shall order and the Treasurer
32 shall transfer remaining moneys in the Board of Higher
33 Education State Projects Fund, certified by the Board of Higher
34 Education to be attributable to the Illinois Century Network,

1 into the Communications Revolving Fund.

2 (30 ILCS 105/8.3) (from Ch. 127, par. 144.3)

3 Sec. 8.3. Money in the Road Fund shall, if and when the
4 State of Illinois incurs any bonded indebtedness for the
5 construction of permanent highways, be set aside and used for
6 the purpose of paying and discharging annually the principal
7 and interest on that bonded indebtedness then due and payable,
8 and for no other purpose. The surplus, if any, in the Road Fund
9 after the payment of principal and interest on that bonded
10 indebtedness then annually due shall be used as follows:

11 first -- to pay the cost of administration of Chapters
12 2 through 10 of the Illinois Vehicle Code, except the cost
13 of administration of Articles I and II of Chapter 3 of that
14 Code; and

15 secondly -- for expenses of the Department of
16 Transportation for construction, reconstruction,
17 improvement, repair, maintenance, operation, and
18 administration of highways in accordance with the
19 provisions of laws relating thereto, or for any purpose
20 related or incident to and connected therewith, including
21 the separation of grades of those highways with railroads
22 and with highways and including the payment of awards made
23 by the Industrial Commission under the terms of the
24 Workers' Compensation Act or Workers' Occupational
25 Diseases Act for injury or death of an employee of the
26 Division of Highways in the Department of Transportation;
27 or for the acquisition of land and the erection of
28 buildings for highway purposes, including the acquisition
29 of highway right-of-way or for investigations to determine
30 the reasonably anticipated future highway needs; or for
31 making of surveys, plans, specifications and estimates for
32 and in the construction and maintenance of flight strips
33 and of highways necessary to provide access to military and
34 naval reservations, to defense industries and
35 defense-industry sites, and to the sources of raw materials

1 and for replacing existing highways and highway
2 connections shut off from general public use at military
3 and naval reservations and defense-industry sites, or for
4 the purchase of right-of-way, except that the State shall
5 be reimbursed in full for any expense incurred in building
6 the flight strips; or for the operating and maintaining of
7 highway garages; or for patrolling and policing the public
8 highways and conserving the peace; or for the operating
9 expenses of the Department relating to the administration
10 of public transportation programs; or for any of those
11 purposes or any other purpose that may be provided by law.

12 Appropriations for any of those purposes are payable from
13 the Road Fund. Appropriations may also be made from the Road
14 Fund for the administrative expenses of any State agency that
15 are related to motor vehicles or arise from the use of motor
16 vehicles.

17 Beginning with fiscal year 1980 and thereafter, no Road
18 Fund monies shall be appropriated to the following Departments
19 or agencies of State government for administration, grants, or
20 operations; but this limitation is not a restriction upon
21 appropriating for those purposes any Road Fund monies that are
22 eligible for federal reimbursement;

23 1. Department of Public Health;

24 2. Department of Transportation, only with respect to
25 subsidies for one-half fare Student Transportation and
26 Reduced Fare for Elderly;

27 3. Department of Central Management Services, except
28 for expenditures incurred for group insurance premiums of
29 appropriate personnel;

30 4. Judicial Systems and Agencies.

31 Beginning with fiscal year 1981 and thereafter, no Road
32 Fund monies shall be appropriated to the following Departments
33 or agencies of State government for administration, grants, or
34 operations; but this limitation is not a restriction upon
35 appropriating for those purposes any Road Fund monies that are
36 eligible for federal reimbursement:

1 1. Department of State Police, except for expenditures
2 with respect to the Division of Operations;

3 2. Department of Transportation, only with respect to
4 Intercity Rail Subsidies and Rail Freight Services.

5 Beginning with fiscal year 1982 and thereafter, no Road
6 Fund monies shall be appropriated to the following Departments
7 or agencies of State government for administration, grants, or
8 operations; but this limitation is not a restriction upon
9 appropriating for those purposes any Road Fund monies that are
10 eligible for federal reimbursement: Department of Central
11 Management Services, except for awards made by the Industrial
12 Commission under the terms of the Workers' Compensation Act or
13 Workers' Occupational Diseases Act for injury or death of an
14 employee of the Division of Highways in the Department of
15 Transportation.

16 Beginning with fiscal year 1984 and thereafter, no Road
17 Fund monies shall be appropriated to the following Departments
18 or agencies of State government for administration, grants, or
19 operations; but this limitation is not a restriction upon
20 appropriating for those purposes any Road Fund monies that are
21 eligible for federal reimbursement:

22 1. Department of State Police, except not more than 40%
23 of the funds appropriated for the Division of Operations;

24 2. State Officers.

25 Beginning with fiscal year 1984 and thereafter, no Road
26 Fund monies shall be appropriated to any Department or agency
27 of State government for administration, grants, or operations
28 except as provided hereafter; but this limitation is not a
29 restriction upon appropriating for those purposes any Road Fund
30 monies that are eligible for federal reimbursement. It shall
31 not be lawful to circumvent the above appropriation limitations
32 by governmental reorganization or other methods.
33 Appropriations shall be made from the Road Fund only in
34 accordance with the provisions of this Section.

35 Money in the Road Fund shall, if and when the State of
36 Illinois incurs any bonded indebtedness for the construction of

1 permanent highways, be set aside and used for the purpose of
2 paying and discharging during each fiscal year the principal
3 and interest on that bonded indebtedness as it becomes due and
4 payable as provided in the Transportation Bond Act, and for no
5 other purpose. The surplus, if any, in the Road Fund after the
6 payment of principal and interest on that bonded indebtedness
7 then annually due shall be used as follows:

8 first -- to pay the cost of administration of Chapters
9 2 through 10 of the Illinois Vehicle Code; and

10 secondly -- no Road Fund monies derived from fees,
11 excises, or license taxes relating to registration,
12 operation and use of vehicles on public highways or to
13 fuels used for the propulsion of those vehicles, shall be
14 appropriated or expended other than for costs of
15 administering the laws imposing those fees, excises, and
16 license taxes, statutory refunds and adjustments allowed
17 thereunder, administrative costs of the Department of
18 Transportation, including, but not limited to, the
19 operating expenses of the Department relating to the
20 administration of public transportation programs, payment
21 of debts and liabilities incurred in construction and
22 reconstruction of public highways and bridges, acquisition
23 of rights-of-way for and the cost of construction,
24 reconstruction, maintenance, repair, and operation of
25 public highways and bridges under the direction and
26 supervision of the State, political subdivision, or
27 municipality collecting those monies, and the costs for
28 patrolling and policing the public highways (by State,
29 political subdivision, or municipality collecting that
30 money) for enforcement of traffic laws. The separation of
31 grades of such highways with railroads and costs associated
32 with protection of at-grade highway and railroad crossing
33 shall also be permissible.

34 Appropriations for any of such purposes are payable from
35 the Road Fund or the Grade Crossing Protection Fund as provided
36 in Section 8 of the Motor Fuel Tax Law.

1 Except as provided in this paragraph, beginning with fiscal
2 year 1991 and thereafter, no Road Fund monies shall be
3 appropriated to the Department of State Police for the purposes
4 of this Section in excess of its total fiscal year 1990 Road
5 Fund appropriations for those purposes unless otherwise
6 provided in Section 5g of this Act. For fiscal years 2003, ~~and~~
7 2004, and 2005 only, no Road Fund monies shall be appropriated
8 to the Department of State Police for the purposes of this
9 Section in excess of \$97,310,000. It shall not be lawful to
10 circumvent this limitation on appropriations by governmental
11 reorganization or other methods unless otherwise provided in
12 Section 5g of this Act.

13 In fiscal year 1994, no Road Fund monies shall be
14 appropriated to the Secretary of State for the purposes of this
15 Section in excess of the total fiscal year 1991 Road Fund
16 appropriations to the Secretary of State for those purposes,
17 plus \$9,800,000. It shall not be lawful to circumvent this
18 limitation on appropriations by governmental reorganization or
19 other method.

20 Beginning with fiscal year 1995 and thereafter, no Road
21 Fund monies shall be appropriated to the Secretary of State for
22 the purposes of this Section in excess of the total fiscal year
23 1994 Road Fund appropriations to the Secretary of State for
24 those purposes. It shall not be lawful to circumvent this
25 limitation on appropriations by governmental reorganization or
26 other methods.

27 Beginning with fiscal year 2000, total Road Fund
28 appropriations to the Secretary of State for the purposes of
29 this Section shall not exceed the amounts specified for the
30 following fiscal years:

31	Fiscal Year 2000	\$80,500,000;
32	Fiscal Year 2001	\$80,500,000;
33	Fiscal Year 2002	\$80,500,000;
34	Fiscal Year 2003	\$130,500,000;
35	Fiscal Year 2004	\$130,500,000;
36	Fiscal Year 2005 and	<u>\$130,500,000;</u>

1 exceed 5 years unless a greater term is authorized by law, but
2 such lease may contain a renewal clause subject to acceptance
3 by the State after that date or an option to purchase. Such
4 purchase contract may provide for the title to the property to
5 transfer immediately to the State or a trustee or nominee for
6 the benefit of the State and for the consideration to be paid
7 in installments to be made at stated intervals during a certain
8 term not to exceed 30 years from the date of the contract and
9 may provide for the payment of interest on the unpaid balance
10 at a rate that does not exceed a rate determined by adding 3
11 percentage points to the annual yield on United States Treasury
12 obligations of comparable maturity as most recently published
13 in the Wall Street Journal at the time such contract is signed.
14 Such lease or purchase contract shall be and shall recite that
15 it is subject to termination and cancellation in any year for
16 which the General Assembly fails to make an appropriation to
17 pay the rent or purchase installments payable under the terms
18 of such lease or purchase contract. Additionally such purchase
19 contract shall specify that title to the office and storage
20 space, buildings, land and other facilities being acquired
21 under such a contract shall revert to the Seller in the event
22 of the failure of the General Assembly to appropriate suitable
23 funds. This limitation does not apply to leases for office or
24 other space, buildings, or land, where such leases or purchase
25 contracts contain a provision limiting the liability for the
26 payment of the rental or installments thereunder solely to
27 funds received from the Federal Government. A copy of each such
28 lease or purchase contract shall be filed in the office of the
29 Secretary of State within 15 days after execution.

30 (b) The State shall not enter into any third-party vendor
31 or other arrangement relating to the issuance of certificates
32 of participation or other forms of financing relating to the
33 rental or purchase of office or other space, buildings, or land
34 unless otherwise authorized by law. ~~through the Bureau of the~~
35 ~~Budget for real property and improvements and personal property~~
36 ~~related thereto, and through the Department of Central~~

1 ~~Management Services for personal property, may issue or cause~~
2 ~~to be issued certificates of participation or similar~~
3 ~~instruments representing the right to receive a proportionate~~
4 ~~share in lease purchase or installment purchase payments to be~~
5 ~~made by or for the benefit of one or more State agencies for~~
6 ~~the acquisition or improvement of real or personal property, or~~
7 ~~refinancing of such property or payment of expenses related to~~
8 ~~the issuance. The total principal amount of the certificates~~
9 ~~issued or caused to be issued pursuant to this Section for~~
10 ~~acquisition of real property shall not exceed \$125,000,000.~~
11 ~~Certificates issued or caused to be issued pursuant to this~~
12 ~~Section shall mean certificates heretofore or hereafter signed~~
13 ~~and delivered by the State or signed and delivered by a trustee~~
14 ~~or fiscal agent pursuant to the written direction of the State.~~
15 ~~Nothing in this Section shall (i) prohibit or restrict the~~
16 ~~issuance of or affect the validity or enforceability of~~
17 ~~certificates heretofore or hereafter signed and delivered by~~
18 ~~any lessor or seller or an assignee of either under a lease~~
19 ~~purchase or installment purchase contract with the State or~~
20 ~~signed and delivered by a trustee or fiscal agent pursuant to~~
21 ~~the written direction of such lessor or seller or an assignee~~
22 ~~of either, or (ii) affect the validity or enforceability of any~~
23 ~~such lease purchase or installment purchase contract.~~

24 ~~(1) Certificates may be issued or caused to be issued~~
25 ~~pursuant to this Section if the Director of the Bureau of~~
26 ~~the Budget determines that it is financially desirable and~~
27 ~~in the best interest of the State to use certificates of~~
28 ~~participation to finance or refinance installment purchase~~
29 ~~or lease purchase contracts entered into by State~~
30 ~~departments, agencies, or universities or to refund or~~
31 ~~advance refund prior issuances of certificates of~~
32 ~~participation or similar instruments including~~
33 ~~certificates of participation issued under this Section~~
34 ~~and certificates of participation issued before the~~
35 ~~effective date of this amendatory Act of 1997. The State,~~
36 ~~through the Bureau of the Budget for real property and~~

1 ~~improvements and personal property related thereto, and~~
2 ~~through the Department of Central Management Services for~~
3 ~~personal property, may enter into arrangements for~~
4 ~~issuing, securing, and marketing certificates of~~
5 ~~participation, including agreements, trust indentures and~~
6 ~~other arrangements necessary or desirable to carry out the~~
7 ~~foregoing, and any reserve funds or other amounts securing~~
8 ~~the certificates may be held and invested as provided in~~
9 ~~such agreements and trust indentures.~~

10 ~~(2) Certificates of participation or similar~~
11 ~~instruments issued or caused to be issued pursuant to this~~
12 ~~Section and the underlying lease purchase or installment~~
13 ~~purchase contracts shall not constitute or create debt of~~
14 ~~the State as defined in the Illinois Constitution, nor a~~
15 ~~contractual obligation in excess of the amounts~~
16 ~~appropriated therefor, and the State shall have no~~
17 ~~continuing obligation to appropriate money for said~~
18 ~~payments or other obligations due under the lease purchase~~
19 ~~or installment purchase contracts; provided, however, that~~
20 ~~the Governor shall include in the annual budget request to~~
21 ~~the General Assembly for each relevant fiscal year~~
22 ~~appropriations sufficient to permit payment of all amounts~~
23 ~~which will be due and payable during the fiscal year with~~
24 ~~respect to certificates of participation issued or caused~~
25 ~~to be issued pursuant to this Section.~~

26 ~~(3) The maximum term of certificates of participation~~
27 ~~issued to finance personal property shall be 10 years. The~~
28 ~~maximum term of certificates of participation to finance~~
29 ~~the acquisition or improvement of real property shall be 25~~
30 ~~years. In no event, however, shall the term exceed the~~
31 ~~expected useful life of the property being financed, with~~
32 ~~the term calculated from the date of delivery, with respect~~
33 ~~to personal property, and the date of occupancy, with~~
34 ~~respect to real property.~~

35 ~~(4) Ten days before the issuance of certificates of~~
36 ~~participation under this Section, the Director of the~~

~~Bureau of the Budget for real property and improvements and personal property related thereto and the Department of Central Management Services for personal property shall transmit to the Executive Director of the Economic and Fiscal Commission, to the Auditor General, to the President of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives, and the Minority Leader of the House of Representatives, to the Chairs of the Appropriations Committees, and to the Secretary of the Senate and Clerk of the House a notice providing the following information pertaining to the property to be financed by the certificates:~~

~~(1) The agency and program procuring the property.~~

~~(2) A brief description of the property.~~

~~(3) The estimated cost of the property if purchased outright.~~

~~(4) The estimated terms of the financings.~~

~~(5) The estimated total lease or installment purchase payments for property.~~

~~(6) The estimated lease or installment purchase payments by fiscal year for the current fiscal year and the next 5 fiscal years.~~

~~(7) The anticipated source of funds to make lease or installment purchase payments.~~

~~(8) Those items not anticipated to be financed upon enactment of the budget for the fiscal year.~~

~~A copy of the Preliminary Official Statement shall also be transmitted to the Executive Director of the Economic and Fiscal Commission, to the Auditor General, to the President of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, to the Chairs of the Appropriations Committees, and to the Secretary of the Senate and Clerk of the House at the time it is submitted for publication. After the issuance of the certificates, a copy of the final official statement accompanying the issuance shall be filed with the~~

1 ~~Economic and Fiscal Commission, with the Auditor General, with~~
2 ~~the President of the Senate, the Minority Leader of the Senate,~~
3 ~~the Speaker of the House of Representatives, and the Minority~~
4 ~~Leader of the House of Representatives, with the Chairs of the~~
5 ~~Appropriations Committees, and with the Secretary of the Senate~~
6 ~~and Clerk of the House.~~

7 ~~(5) The Bureau of the Budget may, based on a cost~~
8 ~~benefit analysis, issue general obligation bonds to~~
9 ~~finance or refinance installment purchase or lease~~
10 ~~purchase contracts entered into by State departments,~~
11 ~~agencies, or universities or to refund or advance refund~~
12 ~~prior issuances of certificates of participation or~~
13 ~~similar instruments, including certificates of~~
14 ~~participation issued under this Section and certificates~~
15 ~~of participation issued before the effective date of this~~
16 ~~amendatory Act of 1997.~~

17 ~~(6) The Department of Central Management Services may~~
18 ~~promulgate rules governing its issuance and conditions of~~
19 ~~use of certificates of participation and similar~~
20 ~~instruments.~~

21 (c) Amounts paid from appropriations for personal service
22 of any officer or employee of the State, either temporary or
23 regular, shall be considered as full payment for all services
24 rendered between the dates specified in the payroll or other
25 voucher and no additional sum shall be paid to such officer or
26 employee from any lump sum appropriation, appropriation for
27 extra help or other purpose or any accumulated balances in
28 specific appropriations, which payments would constitute in
29 fact an additional payment for work already performed and for
30 which remuneration had already been made, except that wage
31 payments made pursuant to the application of the prevailing
32 rate principle or based upon the effective date of a collective
33 bargaining agreement between the State, or a State agency and
34 an employee group, or payment of funds as an adjustment to
35 wages paid employees or officers of the State for the purpose
36 of correcting a clerical or administrative error or oversight

1 or pursuant to a backpay order issued by an appropriate State
2 or federal administrative or judicial body or officer shall not
3 be construed as an additional payment for work already
4 performed.

5 (d) Disbursements from appropriations which are subject to
6 the approval or certification of the Department of Central
7 Management Services are subject to the following restrictions.

8 Payments for personal service except for positions
9 specified in all appropriation Acts shall be made in conformity
10 with schedules and amendments thereto submitted by the
11 respective officers and approved by the Department of Central
12 Management Services before becoming effective. Such schedules
13 and amendments thereto may set up groups of employment showing
14 the approximate number to be employed, with fixed or minimum
15 and maximum salary rates.

16 This Section is subject to the provisions of Section 9.02.
17 (Source: P.A. 90-520, eff. 6-1-98; revised 8-23-03.)

18 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

19 Sec. 13.2. Transfers among line item appropriations.

20 (a) Transfers among line item appropriations from the same
21 treasury fund for the objects specified in this Section may be
22 made in the manner provided in this Section when the balance
23 remaining in one or more such line item appropriations is
24 insufficient for the purpose for which the appropriation was
25 made.

26 (a-1) No transfers may be made from one agency to another
27 agency, nor may transfers be made from one institution of
28 higher education to another institution of higher education.

29 (a-2) Except as otherwise provided in this Section,
30 transfers ~~Transfers~~ may be made only among the objects of
31 expenditure enumerated in this Section, except that no funds
32 may be transferred from any appropriation for personal
33 services, from any appropriation for State contributions to the
34 State Employees' Retirement System, from any separate
35 appropriation for employee retirement contributions paid by

1 the employer, nor from any appropriation for State contribution
2 for employee group insurance. During State fiscal year 2005, an
3 agency may transfer amounts among its appropriations within the
4 same treasury fund for personal services, employee retirement
5 contributions paid by employer, and State Contributions to
6 retirement systems; notwithstanding and in addition to the
7 transfers authorized in subsection (c) of this Section, the
8 fiscal year 2005 transfers authorized in this sentence may be
9 made in an amount not to exceed 2% of the aggregate amount
10 appropriated to an agency within the same treasury fund.

11 (a-3) Further, if an agency receives a separate
12 appropriation for employee retirement contributions paid by
13 the employer, any transfer by that agency into an appropriation
14 for personal services must be accompanied by a corresponding
15 transfer into the appropriation for employee retirement
16 contributions paid by the employer, in an amount sufficient to
17 meet the employer share of the employee contributions required
18 to be remitted to the retirement system.

19 (b) In addition to the general transfer authority provided
20 under subsection (c), the following agencies have the specific
21 transfer authority granted in this subsection:

22 The Illinois Department of Public Aid is authorized to make
23 transfers representing savings attributable to not increasing
24 grants due to the births of additional children from line items
25 for payments of cash grants to line items for payments for
26 employment and social services for the purposes outlined in
27 subsection (f) of Section 4-2 of the Illinois Public Aid Code.

28 The Department of Children and Family Services is
29 authorized to make transfers not exceeding 2% of the aggregate
30 amount appropriated to it within the same treasury fund for the
31 following line items among these same line items: Foster Home
32 and Specialized Foster Care and Prevention, Institutions and
33 Group Homes and Prevention, and Purchase of Adoption and
34 Guardianship Services.

35 The Department on Aging is authorized to make transfers not
36 exceeding 2% of the aggregate amount appropriated to it within

1 the same treasury fund for the following Community Care Program
2 line items among these same line items: Homemaker and Senior
3 Companion Services, Case Coordination Units, and Adult Day Care
4 Services.

5 The State Treasurer is authorized to make transfers among
6 line item appropriations from the Capital Litigation Trust
7 Fund, with respect to costs incurred in fiscal years 2002 and
8 2003 only, when the balance remaining in one or more such line
9 item appropriations is insufficient for the purpose for which
10 the appropriation was made, provided that no such transfer may
11 be made unless the amount transferred is no longer required for
12 the purpose for which that appropriation was made.

13 (c) The sum of such transfers for an agency in a fiscal
14 year shall not exceed 2% of the aggregate amount appropriated
15 to it within the same treasury fund for the following objects:
16 Personal Services; Extra Help; Student and Inmate
17 Compensation; State Contributions to Retirement Systems; State
18 Contributions to Social Security; State Contribution for
19 Employee Group Insurance; Contractual Services; Travel;
20 Commodities; Printing; Equipment; Electronic Data Processing;
21 Operation of Automotive Equipment; Telecommunications
22 Services; Travel and Allowance for Committed, Paroled and
23 Discharged Prisoners; Library Books; Federal Matching Grants
24 for Student Loans; Refunds; Workers' Compensation,
25 Occupational Disease, and Tort Claims; and, in appropriations
26 to institutions of higher education, Awards and Grants.
27 Notwithstanding the above, any amounts appropriated for
28 payment of workers' compensation claims to an agency to which
29 the authority to evaluate, administer and pay such claims has
30 been delegated by the Department of Central Management Services
31 may be transferred to any other expenditure object where such
32 amounts exceed the amount necessary for the payment of such
33 claims.

34 (c-1) Special provisions for State fiscal year 2003.
35 Notwithstanding any other provision of this Section to the
36 contrary, for State fiscal year 2003 only, transfers among line

1 item appropriations to an agency from the same treasury fund
2 may be made provided that the sum of such transfers for an
3 agency in State fiscal year 2003 shall not exceed 3% of the
4 aggregate amount appropriated to that State agency for State
5 fiscal year 2003 for the following objects: personal services,
6 except that no transfer may be approved which reduces the
7 aggregate appropriations for personal services within an
8 agency; extra help; student and inmate compensation; State
9 contributions to retirement systems; State contributions to
10 social security; State contributions for employee group
11 insurance; contractual services; travel; commodities;
12 printing; equipment; electronic data processing; operation of
13 automotive equipment; telecommunications services; travel and
14 allowance for committed, paroled, and discharged prisoners;
15 library books; federal matching grants for student loans;
16 refunds; workers' compensation, occupational disease, and tort
17 claims; and, in appropriations to institutions of higher
18 education, awards and grants.

19 (c-2) Special provisions for State fiscal year 2005.
20 Notwithstanding subsections (a), (a-2), and (c), for State
21 fiscal year 2005 only, transfers may be made among any line
22 item appropriations from the same or any other treasury fund
23 for any objects or purposes, without limitation, when the
24 balance remaining in one or more such line item appropriations
25 is insufficient for the purpose for which the appropriation was
26 made, provided that the sum of those transfers by a State
27 agency shall not exceed 4% of the aggregate amount appropriated
28 to that State agency for fiscal year 2005.

29 (d) Transfers among appropriations made to agencies of the
30 Legislative and Judicial departments and to the
31 constitutionally elected officers in the Executive branch
32 require the approval of the officer authorized in Section 10 of
33 this Act to approve and certify vouchers. Transfers among
34 appropriations made to the University of Illinois, Southern
35 Illinois University, Chicago State University, Eastern
36 Illinois University, Governors State University, Illinois

1 State University, Northeastern Illinois University, Northern
2 Illinois University, Western Illinois University, the Illinois
3 Mathematics and Science Academy and the Board of Higher
4 Education require the approval of the Board of Higher Education
5 and the Governor. Transfers among appropriations to all other
6 agencies require the approval of the Governor.

7 The officer responsible for approval shall certify that the
8 transfer is necessary to carry out the programs and purposes
9 for which the appropriations were made by the General Assembly
10 and shall transmit to the State Comptroller a certified copy of
11 the approval which shall set forth the specific amounts
12 transferred so that the Comptroller may change his records
13 accordingly. The Comptroller shall furnish the Governor with
14 information copies of all transfers approved for agencies of
15 the Legislative and Judicial departments and transfers
16 approved by the constitutionally elected officials of the
17 Executive branch other than the Governor, showing the amounts
18 transferred and indicating the dates such changes were entered
19 on the Comptroller's records.

20 (Source: P.A. 92-600, eff. 6-28-02; 92-885, eff. 1-13-03;
21 93-680, eff. 7-1-04.)

22 (30 ILCS 105/14) (from Ch. 127, par. 150)

23 Sec. 14. The item "personal services", when used in an
24 appropriation Act, means the reward or recompense made for
25 personal services rendered for the State by an officer or
26 employee of the State or of an instrumentality thereof, or for
27 the purpose of Section 14a of this Act, or any amount required
28 or authorized to be deducted from the salary of any such person
29 under the provisions of Section 30c of this Act, or any
30 retirement or tax law, or both, or deductions from the salary
31 of any such person under the Social Security Enabling Act or
32 deductions from the salary of such person pursuant to the
33 Voluntary Payroll Deductions Act of 1983.

34 If no home is furnished to a person who is a full-time
35 chaplain employed by the State or a former full-time chaplain

1 retired from State employment, 20% of the salary or pension
2 paid to that person for his personal services to the State as
3 chaplain are considered to be a rental allowance paid to him to
4 rent or otherwise provide a home. This amendatory Act of 1973
5 applies to State salary amounts received after December 31,
6 1973.

7 When any appropriation payable from trust funds or federal
8 funds includes an item for personal services but does not
9 include a separate item for State contribution for employee
10 group insurance, the State contribution for employee group
11 insurance in relation to employees paid under that personal
12 services line item shall also be payable under that personal
13 services line item.

14 When any appropriation payable from trust funds or federal
15 funds includes an item for personal services but does not
16 include a separate item for employee retirement contributions
17 paid by the employer, the State contribution for employee
18 retirement contributions paid by the employer in relation to
19 employees paid under that personal services line item shall
20 also be payable under that personal services line item.

21 The item "personal services", when used in an appropriation
22 Act, shall also mean and include a payment to a State
23 retirement system by a State agency to discharge a debt arising
24 from the over-refund to an employee of retirement
25 contributions. The payment to a State retirement system
26 authorized by this paragraph shall not be construed to release
27 the employee from his or her obligation to return to the State
28 the amount of the over-refund.

29 The item "personal services", when used in an appropriation
30 Act, also includes a payment to reimburse the Department of
31 Central Management Services for temporary total disability
32 benefit payments in accordance with subdivision (9) of Section
33 405-105 of the Department of Central Management Services Law
34 (20 ILCS 405/405-105).

35 Beginning July 1, 1993, the item "personal services" and
36 related line items, when used in an appropriation Act or this

1 Act, shall also mean and include back wage claims of State
2 officers and employees to the extent those claims have not been
3 satisfied from the back wage appropriation to the Department of
4 Central Management Services in the preceding fiscal year, as
5 provided in Section 14b of this Act and subdivision (13) of
6 Section 405-105 of the Department of Central Management
7 Services Law (20 ILCS 405/405-105).

8 The item "personal services", when used with respect to
9 State police officers in an appropriation Act, also includes a
10 payment for the burial expenses of a State police officer
11 killed in the line of duty, made in accordance with Section
12 12.2 of the State Police Act and any rules adopted under that
13 Section.

14 For State fiscal year 2005, the item "personal services",
15 when used in an appropriation Act, also includes payments for
16 employee retirement contributions paid by the employer.

17 (Source: P.A. 90-178, eff. 7-23-97; 91-239, eff. 1-1-00.)

18 (30 ILCS 105/14c new)

19 Sec. 14c. Prescription drug benefits. For contracts
20 entered into on or after the effective date of this amendatory
21 Act of the 93rd General Assembly, no appropriation may be
22 expended for prescription drug benefits under the State
23 Employees Group Insurance Act of 1971 unless the benefit
24 program allows all prescription drug benefits to be provided on
25 the same terms and conditions by any willing provider that is
26 qualified for network participation and is authorized to
27 dispense prescription drugs.

28 (30 ILCS 105/24.11 new)

29 Sec. 24.11. "State contributions to Employees' Retirement
30 System" defined. The item "State contributions to Employees'
31 Retirement System", when used in an appropriation Act, shall
32 include an additional amount determined by the State Employees'
33 Retirement System to be paid over by the State Employees'
34 Retirement System to the General Obligation Bond Retirement and

1 Interest Fund to be used to pay principal of and interest on
2 those general obligation bonds due that fiscal year authorized
3 by subsection (a) of Section 7.2 of the General Obligation Bond
4 Act and issued to provide the proceeds deposited by the State
5 with the State Employees' Retirement System in July 2003,
6 representing deposits other than amounts reserved under
7 subsection (c) of Section 7.2 of the General Obligation Bond
8 Act.

9 (30 ILCS 105/25) (from Ch. 127, par. 161)

10 Sec. 25. Fiscal year limitations.

11 (a) All appropriations shall be available for expenditure
12 for the fiscal year or for a lesser period if the Act making
13 that appropriation so specifies. A deficiency or emergency
14 appropriation shall be available for expenditure only through
15 June 30 of the year when the Act making that appropriation is
16 enacted unless that Act otherwise provides.

17 (b) Outstanding liabilities as of June 30, payable from
18 appropriations which have otherwise expired, may be paid out of
19 the expiring appropriations during the 2-month period ending at
20 the close of business on August 31. Any service involving
21 professional or artistic skills or any personal services by an
22 employee whose compensation is subject to income tax
23 withholding must be performed as of June 30 of the fiscal year
24 in order to be considered an "outstanding liability as of June
25 30" that is thereby eligible for payment out of the expiring
26 appropriation.

27 However, payment of tuition reimbursement claims under
28 Section 14-7.03 or 18-3 of the School Code may be made by the
29 State Board of Education from its appropriations for those
30 respective purposes for any fiscal year, even though the claims
31 reimbursed by the payment may be claims attributable to a prior
32 fiscal year, and payments may be made at the direction of the
33 State Superintendent of Education from the fund from which the
34 appropriation is made without regard to any fiscal year
35 limitations.

1 Medical payments may be made by the Department of Veterans'
2 Affairs from its appropriations for those purposes for any
3 fiscal year, without regard to the fact that the medical
4 services being compensated for by such payment may have been
5 rendered in a prior fiscal year.

6 Medical payments may be made by the Department of Public
7 Aid and child care payments may be made by the Department of
8 Human Services (as successor to the Department of Public Aid)
9 from appropriations for those purposes for any fiscal year,
10 without regard to the fact that the medical or child care
11 services being compensated for by such payment may have been
12 rendered in a prior fiscal year; and payments may be made at
13 the direction of the Department of Central Management Services
14 from the Health Insurance Reserve Fund and the Local Government
15 Health Insurance Reserve Fund without regard to any fiscal year
16 limitations.

17 Additionally, payments may be made by the Department of
18 Human Services from its appropriations, or any other State
19 agency from its appropriations with the approval of the
20 Department of Human Services, from the Immigration Reform and
21 Control Fund for purposes authorized pursuant to the
22 Immigration Reform and Control Act of 1986, without regard to
23 any fiscal year limitations.

24 Further, with respect to costs incurred in fiscal years
25 2002 and 2003 only, payments may be made by the State Treasurer
26 from its appropriations from the Capital Litigation Trust Fund
27 without regard to any fiscal year limitations.

28 Lease payments may be made by the Department of Central
29 Management Services under the sale and leaseback provisions of
30 Section 7.4 of the State Property Control Act with respect to
31 the James R. Thompson Center and the Elgin Mental Health Center
32 and surrounding land from appropriations for that purpose
33 without regard to any fiscal year limitations.

34 Lease payments may be made under the sale and leaseback
35 provisions of Section 7.5 of the State Property Control Act
36 with respect to the Illinois State Toll Highway Authority

1 headquarters building and surrounding land without regard to
2 any fiscal year limitations.

3 (c) Further, payments may be made by the Department of
4 Public Health and the Department of Human Services (acting as
5 successor to the Department of Public Health under the
6 Department of Human Services Act) from their respective
7 appropriations for grants for medical care to or on behalf of
8 persons suffering from chronic renal disease, persons
9 suffering from hemophilia, rape victims, and premature and
10 high-mortality risk infants and their mothers and for grants
11 for supplemental food supplies provided under the United States
12 Department of Agriculture Women, Infants and Children
13 Nutrition Program, for any fiscal year without regard to the
14 fact that the services being compensated for by such payment
15 may have been rendered in a prior fiscal year.

16 (d) The Department of Public Health and the Department of
17 Human Services (acting as successor to the Department of Public
18 Health under the Department of Human Services Act) shall each
19 annually submit to the State Comptroller, Senate President,
20 Senate Minority Leader, Speaker of the House, House Minority
21 Leader, and the respective Chairmen and Minority Spokesmen of
22 the Appropriations Committees of the Senate and the House, on
23 or before December 31, a report of fiscal year funds used to
24 pay for services provided in any prior fiscal year. This report
25 shall document by program or service category those
26 expenditures from the most recently completed fiscal year used
27 to pay for services provided in prior fiscal years.

28 (e) The Department of Public Aid and the Department of
29 Human Services (acting as successor to the Department of Public
30 Aid) shall each annually submit to the State Comptroller,
31 Senate President, Senate Minority Leader, Speaker of the House,
32 House Minority Leader, the respective Chairmen and Minority
33 Spokesmen of the Appropriations Committees of the Senate and
34 the House, on or before November 30, a report that shall
35 document by program or service category those expenditures from
36 the most recently completed fiscal year used to pay for (i)

1 services provided in prior fiscal years and (ii) services for
2 which claims were received in prior fiscal years.

3 (f) The Department of Human Services (as successor to the
4 Department of Public Aid) shall annually submit to the State
5 Comptroller, Senate President, Senate Minority Leader, Speaker
6 of the House, House Minority Leader, and the respective
7 Chairmen and Minority Spokesmen of the Appropriations
8 Committees of the Senate and the House, on or before December
9 31, a report of fiscal year funds used to pay for services
10 (other than medical care) provided in any prior fiscal year.
11 This report shall document by program or service category those
12 expenditures from the most recently completed fiscal year used
13 to pay for services provided in prior fiscal years.

14 (g) In addition, each annual report required to be
15 submitted by the Department of Public Aid under subsection (e)
16 shall include the following information with respect to the
17 State's Medicaid program:

18 (1) Explanations of the exact causes of the variance
19 between the previous year's estimated and actual
20 liabilities.

21 (2) Factors affecting the Department of Public Aid's
22 liabilities, including but not limited to numbers of aid
23 recipients, levels of medical service utilization by aid
24 recipients, and inflation in the cost of medical services.

25 (3) The results of the Department's efforts to combat
26 fraud and abuse.

27 (h) As provided in Section 4 of the General Assembly
28 Compensation Act, any utility bill for service provided to a
29 General Assembly member's district office for a period
30 including portions of 2 consecutive fiscal years may be paid
31 from funds appropriated for such expenditure in either fiscal
32 year.

33 (i) An agency which administers a fund classified by the
34 Comptroller as an internal service fund may issue rules for:

35 (1) billing user agencies in advance for payments or
36 authorized inter-fund transfers based on estimated charges

1 for goods or services;

2 (2) issuing credits, refunding through inter-fund
3 transfers, or reducing future inter-fund transfers during
4 the subsequent fiscal year for all user agency payments or
5 authorized inter-fund transfers received during the prior
6 fiscal year which were in excess of the final amounts owed
7 by the user agency for that period; and

8 (3) issuing catch-up billings to user agencies during
9 the subsequent fiscal year for amounts remaining due when
10 payments or authorized inter-fund transfers received from
11 the user agency during the prior fiscal year were less than
12 the total amount owed for that period.

13 User agencies are authorized to reimburse internal service
14 funds for catch-up billings by vouchers drawn against their
15 respective appropriations for the fiscal year in which the
16 catch-up billing was issued or by increasing an authorized
17 inter-fund transfer during the current fiscal year. For the
18 purposes of this Act, "inter-fund transfers" means transfers
19 without the use of the voucher-warrant process, as authorized
20 by Section 9.01 of the State Comptroller Act.

21 (Source: P.A. 92-885, eff. 1-13-03; 93-19, eff. 6-20-03.)

22 Section 10-105. The State Officers and Employees Money
23 Disposition Act is amended by adding Section 5a as follows:

24 (30 ILCS 230/5a new)

25 Sec. 5a. The Secretary of State shall deposit all fees into
26 the funds specified in the statute imposing or authorizing the
27 fee no more than 30 days after receipt of the fee by the
28 Secretary of State.

29 Section 10-110. The General Obligation Bond Act is amended
30 by changing Sections 2, 8, 9, 11, and 16 and by adding Sections
31 2.5, 15.5, and 21 as follows:

32 (30 ILCS 330/2) (from Ch. 127, par. 652)

1 Sec. 2. Authorization for Bonds. The State of Illinois is
2 authorized to issue, sell and provide for the retirement of
3 General Obligation Bonds of the State of Illinois for the
4 categories and specific purposes expressed in Sections 2
5 through 8 of this Act, in the total amount of \$27,658,149,369.

6 The bonds authorized in this Section 2 and in Section 16 of
7 this Act are herein called "Bonds".

8 Of the total amount of Bonds authorized in this Act, up to
9 \$2,200,000,000 in aggregate original principal amount may be
10 issued and sold in accordance with the Baccalaureate Savings
11 Act in the form of General Obligation College Savings Bonds.

12 Of the total amount of Bonds authorized in this Act, up to
13 \$300,000,000 in aggregate original principal amount may be
14 issued and sold in accordance with the Retirement Savings Act
15 in the form of General Obligation Retirement Savings Bonds.

16 Of the total amount of Bonds authorized in this Act, the
17 additional \$10,000,000,000 authorized by this amendatory Act
18 of the 93rd General Assembly shall be used solely as provided
19 in Section 7.2.

20 The issuance and sale of Bonds pursuant to the General
21 Obligation Bond Act is an economical and efficient method of
22 financing the long-term capital ~~and general operating~~ needs of
23 the State. This Act will permit the issuance of a multi-purpose
24 General Obligation Bond with uniform terms and features. This
25 will not only lower the cost of registration but also reduce
26 the overall cost of issuing debt by improving the marketability
27 of Illinois General Obligation Bonds.

28 (Source: P.A. 92-13, eff. 6-22-01; 92-596, eff. 6-28-02;
29 92-598, eff. 6-28-02; 93-2, eff. 4-7-03.)

30 (30 ILCS 330/2.5 new)

31 Sec. 2.5. Limitation on issuance of Bonds.

32 (a) Except as provided in subsection (b), no Bonds may be
33 issued if, after the issuance, in the next State fiscal year
34 after the issuance of the Bonds, the amount of debt service
35 (including principal, whether payable at maturity or pursuant

1 to mandatory sinking fund installments, and interest) on all
2 then-outstanding Bonds would exceed 7% of the aggregate
3 appropriations from the general funds (which consist of the
4 General Revenue Fund, the Common School Fund, the General
5 Revenue Common School Special Account Fund, and the Education
6 Assistance Fund) and the Road Fund for the fiscal year
7 immediately prior to the fiscal year of the issuance.

8 (b) If the Comptroller and Treasurer each consent in
9 writing, Bonds may be issued even if the issuance does not
10 comply with subsection (a).

11 (30 ILCS 330/8) (from Ch. 127, par. 658)

12 Sec. 8. Bond sale expenses, ~~capitalized interest.~~

13 (a) An amount not to exceed 0.5 percent of the principal
14 amount of the proceeds of sale of each bond sale is authorized
15 to be used to pay the reasonable costs of issuance and sale,
16 including, without limitation, underwriter's discounts and
17 fees, but excluding bond insurance, of State of Illinois
18 general obligation bonds authorized and sold pursuant to this
19 Act, provided that no salaries of State employees or other
20 State office operating expenses shall be paid out of
21 non-appropriated proceeds. The Governor's Office of Management
22 and Budget shall compile a summary of all costs of issuance on
23 each sale (including both costs paid out of proceeds and those
24 paid out of appropriated funds) and post that summary on its
25 web site within 20 business days after the issuance of the
26 Bonds. The summary shall include, as applicable, the respective
27 percentages of participation and compensation of each
28 underwriter that is a member of the underwriting syndicate,
29 legal counsel, financial advisors, and other professionals for
30 the bond issue and an identification of all costs of issuance
31 paid to minority owned businesses, female owned businesses, and
32 businesses owned by persons with disabilities. The terms
33 "minority owned businesses", "female owned businesses", and
34 "business owned by a person with a disability" have the
35 meanings given to those terms in the Business Enterprise for

1 Minorities, Females, and Persons with Disabilities Act. That
2 posting shall be maintained on the web site for a period of at
3 least 30 days. In addition, the Governor's Office of Management
4 and Budget shall provide a written copy of each summary of
5 costs to the Speaker and Minority Leader of the House of
6 Representatives, the President and Minority Leader of the
7 Senate, and the Illinois Economic and Fiscal Commission within
8 20 business days after each issuance of the Bonds. In addition,
9 the Governor's Office of Management and Budget shall provide
10 copies of all contracts under which any costs of issuance are
11 paid or to be paid to the Illinois Economic and Fiscal
12 Commission within 20 business days after the issuance of Bonds
13 for which those costs are paid or to be paid. Instead of filing
14 a second or subsequent copy of the same contract, the
15 Governor's Office of Management and Budget may file a statement
16 that specified costs are paid under specified contracts filed
17 earlier with the Commission.

18 (b) The Director of the Governor's Office of Management and
19 Budget shall not, in connection with the issuance of Bonds,
20 contract with any underwriter, financial advisor, or attorney
21 unless that underwriter, financial advisor, or attorney
22 certifies that the underwriter, financial advisor, or attorney
23 has not and will not pay a contingent fee, whether directly or
24 indirectly, to a third party for having promoted the selection
25 of the underwriter, financial advisor, or attorney for that
26 contract. In the event that the Governor's Office of Management
27 and Budget determines that an underwriter, financial advisor,
28 or attorney has filed a false certification with respect to the
29 payment of contingent fees, the Governor's Office of Management
30 and Budget shall not contract with that underwriter, financial
31 advisor, or attorney, or with any firm employing any person who
32 signed false certifications, for a period of 2 calendar years,
33 beginning with the date the determination is made. The validity
34 of Bonds issued under such circumstances of violation pursuant
35 to this Section shall not be affected. ~~The Bond Sale Order may~~
36 ~~provide for a portion of the proceeds of the bond sale,~~

1 ~~representing up to 12 months' interest on the bonds, to be~~
2 ~~deposited directly into the capitalized interest account of the~~
3 ~~General Obligation Bond Retirement and Interest Fund.~~

4 (Source: P.A. 93-2, eff. 4-7-03.)

5 (30 ILCS 330/9) (from Ch. 127, par. 659)

6 Sec. 9. Conditions for Issuance and Sale of Bonds -
7 Requirements for Bonds.

8 (a) Except as otherwise provided in this subsection, Bonds
9 ~~Bonds~~ shall be issued and sold from time to time, in one or
10 more series, in such amounts and at such prices as may be
11 directed by the Governor, upon recommendation by the Director
12 of the Governor's Office of Management and Budget. Bonds shall
13 be in such form (either coupon, registered or book entry), in
14 such denominations, payable within 25 ~~30~~ years from their date,
15 subject to such terms of redemption with or without premium,
16 bear interest payable at such times and at such fixed or
17 variable rate or rates, and be dated as shall be fixed and
18 determined by the Director of the Governor's Office of
19 Management and Budget in the order authorizing the issuance and
20 sale of any series of Bonds, which order shall be approved by
21 the Governor and is herein called a "Bond Sale Order"; provided
22 however, that interest payable at fixed or variable rates shall
23 not exceed that permitted in the Bond Authorization Act, as now
24 or hereafter amended. Bonds shall be payable at such place or
25 places, within or without the State of Illinois, and may be
26 made registrable as to either principal or as to both principal
27 and interest, as shall be specified in the Bond Sale Order.
28 Bonds may be callable or subject to purchase and retirement or
29 tender and remarketing as fixed and determined in the Bond Sale
30 Order. Bonds must be issued with principal or mandatory
31 redemption amounts in equal amounts, with the first maturity
32 issued occurring within the fiscal year in which the Bonds are
33 issued or within the next succeeding fiscal year, with Bonds
34 issued maturing or subject to mandatory redemption each fiscal
35 year thereafter up to 25 years.

1 In the case of any series of Bonds bearing interest at a
2 variable interest rate ("Variable Rate Bonds"), in lieu of
3 determining the rate or rates at which such series of Variable
4 Rate Bonds shall bear interest and the price or prices at which
5 such Variable Rate Bonds shall be initially sold or remarketed
6 (in the event of purchase and subsequent resale), the Bond Sale
7 Order may provide that such interest rates and prices may vary
8 from time to time depending on criteria established in such
9 Bond Sale Order, which criteria may include, without
10 limitation, references to indices or variations in interest
11 rates as may, in the judgment of a remarketing agent, be
12 necessary to cause Variable Rate Bonds of such series to be
13 remarketable from time to time at a price equal to their
14 principal amount, and may provide for appointment of a bank,
15 trust company, investment bank, or other financial institution
16 to serve as remarketing agent in that connection. The Bond Sale
17 Order may provide that alternative interest rates or provisions
18 for establishing alternative interest rates, different
19 security or claim priorities, or different call or amortization
20 provisions will apply during such times as Variable Rate Bonds
21 of any series are held by a person providing credit or
22 liquidity enhancement arrangements for such Bonds as
23 authorized in subsection (b) of this Section. The Bond Sale
24 Order may also provide for such variable interest rates to be
25 established pursuant to a process generally known as an auction
26 rate process and may provide for appointment of one or more
27 financial institutions to serve as auction agents and
28 broker-dealers in connection with the establishment of such
29 interest rates and the sale and remarketing of such Bonds.

30 (b) In connection with the issuance of any series of Bonds,
31 the State may enter into arrangements to provide additional
32 security and liquidity for such Bonds, including, without
33 limitation, bond or interest rate insurance or letters of
34 credit, lines of credit, bond purchase contracts, or other
35 arrangements whereby funds are made available to retire or
36 purchase Bonds, thereby assuring the ability of owners of the

1 Bonds to sell or redeem their Bonds. The State may enter into
2 contracts and may agree to pay fees to persons providing such
3 arrangements, but only under circumstances where the Director
4 of the Governor's Office of Management and Budget certifies
5 that he or she reasonably expects the total interest paid or to
6 be paid on the Bonds, together with the fees for the
7 arrangements (being treated as if interest), would not, taken
8 together, cause the Bonds to bear interest, calculated to their
9 stated maturity, at a rate in excess of the rate that the Bonds
10 would bear in the absence of such arrangements.

11 The State may, with respect to Bonds issued or anticipated
12 to be issued, participate in and enter into arrangements with
13 respect to interest rate protection or exchange agreements,
14 guarantees, or financial futures contracts for the purpose of
15 limiting, reducing, or managing interest rate exposure. The
16 authority granted under this paragraph, however, shall not
17 increase the principal amount of Bonds authorized to be issued
18 by law. The arrangements may be executed and delivered by the
19 Director of the Governor's Office of Management and Budget on
20 behalf of the State. Net payments for such arrangements shall
21 constitute interest on the Bonds and shall be paid from the
22 General Obligation Bond Retirement and Interest Fund. The
23 Director of the Governor's Office of Management and Budget
24 shall at least annually certify to the Governor and the State
25 Comptroller his or her estimate of the amounts of such net
26 payments to be included in the calculation of interest required
27 to be paid by the State.

28 (c) Prior to the issuance of any Variable Rate Bonds
29 pursuant to subsection (a), the Director of the Governor's
30 Office of Management and Budget shall adopt an interest rate
31 risk management policy providing that the amount of the State's
32 variable rate exposure with respect to Bonds shall not exceed
33 20%. This policy shall remain in effect while any Bonds are
34 outstanding and the issuance of Bonds shall be subject to the
35 terms of such policy. The terms of this policy may be amended
36 from time to time by the Director of the Governor's Office of

1 Management and Budget but in no event shall any amendment cause
2 the permitted level of the State's variable rate exposure with
3 respect to Bonds to exceed 20%.

4 (Source: P.A. 92-16, eff. 6-28-01; 93-9, eff. 6-3-03; 93-666,
5 eff. 3-5-04.)

6 (30 ILCS 330/11) (from Ch. 127, par. 661)

7 Sec. 11. Sale of Bonds. Except as otherwise provided in
8 this Section, Bonds shall be sold from time to time pursuant to
9 notice of sale and public bid or by negotiated sale in such
10 amounts and at such times as is directed by the Governor, upon
11 recommendation by the Director of the Governor's Office of
12 Management and Budget. At least 25%, based on total principal
13 amount, of all Bonds issued each fiscal year shall be sold
14 pursuant to notice of sale and public bid. At all times during
15 each fiscal year, no more than 75%, based on total principal
16 amount, of the Bonds issued each fiscal year, shall have been
17 sold by negotiated sale. Failure to satisfy the requirements in
18 the preceding 2 sentences shall not affect the validity of any
19 previously issued Bonds ~~Bureau of the Budget.~~

20 If any Bonds, including refunding Bonds, are to be sold by
21 negotiated sale, the Director of the Governor's Office of
22 Management and Budget ~~Bureau of the Budget~~ shall comply with
23 the competitive request for proposal process set forth in the
24 Illinois Procurement Code and all other applicable
25 requirements of that Code.

26 If Bonds are to be sold pursuant to notice of sale and
27 public bid, the Director of the Governor's Office of Management
28 and Budget ~~Bureau of the Budget~~ shall, from time to time, as
29 Bonds are to be sold, advertise the sale of the Bonds in at
30 least 2 ~~two~~ daily newspapers, one of which is published in the
31 City of Springfield and one in the City of Chicago. The sale of
32 the Bonds shall also be advertised in the volume of the
33 Illinois Procurement Bulletin that is published by the
34 Department of Central Management Services. Each of the
35 advertisements for proposals shall be published once at least

1 10 days prior to the date fixed for the opening of the bids.
2 The Director of the Governor's Office of Management and Budget
3 ~~Bureau of the Budget~~ may reschedule the date of sale upon the
4 giving of such additional notice as the Director deems adequate
5 to inform prospective bidders of such change; provided,
6 however, that all other conditions of the sale shall continue
7 as originally advertised.

8 Executed Bonds shall, upon payment therefor, be delivered
9 to the purchaser, and the proceeds of Bonds shall be paid into
10 the State Treasury as directed by Section 12 of this Act.

11 (Source: P.A. 91-39, eff. 6-15-99; revised 8-23-03.)

12 (30 ILCS 330/15.5 new)

13 Sec. 15.5. Compliance with the Business Enterprise for
14 Minorities, Females, and Persons with Disabilities Act.
15 Notwithstanding any other provision of law, the Governor's
16 Office of Management and Budget shall comply with the Business
17 Enterprise for Minorities, Females, and Persons with
18 Disabilities Act.

19 (30 ILCS 330/16) (from Ch. 127, par. 666)

20 Sec. 16. Refunding Bonds. The State of Illinois is
21 authorized to issue, sell, and provide for the retirement of
22 General Obligation Bonds of the State of Illinois in the amount
23 of \$2,839,025,000, at any time and from time to time
24 outstanding, for the purpose of refunding any State of Illinois
25 general obligation Bonds then outstanding, including the
26 payment of any redemption premium thereon, any reasonable
27 expenses of such refunding, any interest accrued or to accrue
28 to the earliest or any subsequent date of redemption or
29 maturity of such outstanding Bonds and any interest to accrue
30 to the first interest payment on the refunding Bonds; provided
31 that all non-refunding Bonds in an issue that includes ~~such~~
32 refunding Bonds shall mature no later than the final maturity
33 date of Bonds being refunded; provided that no refunding Bonds
34 shall be offered for sale unless the net present value of debt

1 service savings to be achieved by the issuance of the refunding
2 Bonds is 3% or more of the principal amount of the refunding
3 Bonds to be issued; and further provided that the maturities of
4 the refunding Bonds shall not extend beyond the maturities of
5 the Bonds they refund, so that for each fiscal year in the
6 maturity schedule of a particular issue of refunding Bonds, the
7 total amount of refunding principal maturing and redemption
8 amounts due in that fiscal year and all prior fiscal years in
9 that schedule shall be greater than or equal to the total
10 amount of refunded principal and redemption amounts that had
11 been due over that year and all prior fiscal years prior to the
12 refunding.

13 ~~Refunding Bonds may be sold from time to time pursuant to~~
14 ~~notice of sale and public bid or by negotiated sale in such~~
15 ~~amounts and at such times, as directed by the Governor, upon~~
16 ~~recommendation by the Director of the Bureau of the Budget.~~ The
17 Governor shall notify the State Treasurer and Comptroller of
18 such refunding. The proceeds received from the sale of
19 refunding Bonds shall be used for the retirement at maturity or
20 redemption of such outstanding Bonds on any maturity or
21 redemption date and, pending such use, shall be placed in
22 escrow, subject to such terms and conditions as shall be
23 provided for in the Bond Sale Order relating to the Refunding
24 Bonds. Proceeds not needed for deposit in an escrow account
25 shall be deposited in the General Obligation Bond Retirement
26 and Interest Fund. This Act shall constitute an irrevocable and
27 continuing appropriation of all amounts necessary to establish
28 an escrow account for the purpose of refunding outstanding
29 general obligation Bonds and to pay the reasonable expenses of
30 such refunding and of the issuance and sale of the refunding
31 Bonds. Any such escrowed proceeds may be invested and
32 reinvested in direct obligations of the United States of
33 America, maturing at such time or times as shall be appropriate
34 to assure the prompt payment, when due, of the principal of and
35 interest and redemption premium, if any, on the refunded Bonds.
36 After the terms of the escrow have been fully satisfied, any

1 remaining balance of such proceeds and interest, income and
2 profits earned or realized on the investments thereof shall be
3 paid into the General Revenue Fund. The liability of the State
4 upon the Bonds shall continue, provided that the holders
5 thereof shall thereafter be entitled to payment only out of the
6 moneys deposited in the escrow account.

7 Except as otherwise herein provided in this Section, such
8 refunding Bonds shall in all other respects be subject to the
9 terms and conditions of this Act.

10 (Source: P.A. 91-39, eff. 6-15-99; 91-53, eff. 6-30-99; 91-710,
11 eff. 5-17-00; revised 8-23-03.)

12 (30 ILCS 330/21 new)

13 Sec. 21. Truth in borrowing disclosures.

14 (a) Within 20 business days after the issuance of any Bonds
15 under this Act, the Director of the Governor's Office of
16 Management and Budget shall publish a truth in borrowing
17 disclosure that discloses the total principal and interest
18 payments to be paid on the Bonds over the full stated term of
19 the Bonds. The disclosure also shall include principal and
20 interest payments to be made by each fiscal year over the full
21 stated term of the Bonds and total principal and interest
22 payments to be made by each fiscal year on all other
23 outstanding Bonds issued under this Act over the full stated
24 terms of those Bonds.

25 (b) Within 20 business days after the issuance of any
26 refunding bonds under Section 16 of this Act, the Director of
27 the Governor's Office of Management and Budget shall publish a
28 truth in borrowing disclosure that discloses the estimated
29 present-valued savings to be obtained through the refunding, in
30 total and by each fiscal year that the refunding Bonds may be
31 outstanding.

32 (c) The disclosures required in subsections (a) and (b)
33 shall be published by posting the disclosures for no less than
34 30 days on the web site of the Governor's Office of Management
35 and Budget and by providing the disclosures in written form to

1 the Illinois Economic and Fiscal Commission. These disclosures
2 shall be calculated assuming Bonds are not redeemed or refunded
3 prior to their stated maturities. Amounts included in these
4 disclosures as payment of interest on variable rate Bonds shall
5 be computed at an interest rate equal to the rate at which the
6 variable rate Bonds are first set upon issuance, plus 2.5%,
7 after taking into account any credits permitted in the related
8 indenture or other instrument against the amount of such
9 interest for each fiscal year. Amounts included in these
10 disclosures as payment of interest on variable rate Bonds shall
11 include the amounts certified by the Director of the Governor's
12 Office of Management and Budget under subsection (b) of Section
13 9 of this Act.

14 Section 10-115. The Metropolitan Civic Center Support Act
15 is amended by changing Section 14 as follows:

16 (30 ILCS 355/14) (from Ch. 85, par. 1397g)

17 Sec. 14. (a) To provide for the manner of repayment of
18 Bonds, the Governor shall include an appropriation in each
19 annual State Budget of monies in such amount as shall be
20 necessary and sufficient, for the period covered by such
21 budget, to pay the interest, as it shall accrue, on all Bonds
22 issued under this Act, to pay and discharge the principal of
23 such Bonds as shall, by their terms fall due during such period
24 and to pay a premium, if any, on Bonds to be redeemed prior to
25 the maturity date and to replenish any reserve fund as may be
26 required under any trust indenture.

27 (b) A separate fund in the State Treasury called the
28 "Illinois Civic Center Bond Retirement and Interest Fund" is
29 hereby created.

30 (c) The Governor's Office of Management and Budget
31 ~~Department~~ shall pay subject to annual appropriation by the
32 General Assembly the principal of, interest on, and premium, if
33 any, on Bonds sold under this Act from the Bond Retirement
34 Fund.

1 (Source: P.A. 84-245.)

2 Section 10-120. The Build Illinois Bond Act is amended by
3 changing Sections 3, 5, 6, 8, 9, and 15 and by adding Sections
4 8.3 and 8.5 as follows:

5 (30 ILCS 425/3) (from Ch. 127, par. 2803)

6 Sec. 3. Findings. The General Assembly hereby makes the
7 following findings and determinations:

8 (a) The issuance and sale of Bonds pursuant to this Act is
9 an economical and efficient method of financing long-term
10 capital needs, including certain of the purposes of the State,
11 as set forth in Section 4 hereof.

12 (b) This Act will permit the issuance of Bonds, from time
13 to time, for various purposes and with varying terms, features
14 and conditions in order to enhance marketability and lower
15 interest costs incurred by the State. Subsection (a) of Section
16 6 of this Act authorizes the issuance, from time to time, of
17 Bonds in one or more series, in such principal amounts, bearing
18 interest at such fixed rates or variable rates and having such
19 other terms and provisions as designated State officers may fix
20 and determine pursuant to the authority delegated under this
21 Act. Subsection (b) of Section 6 of this Act authorizes, in
22 connection with the issuance of and as security for any series
23 of Bonds, the purchase of bond or interest rate insurance, the
24 establishment of credit and liquidity enhancement arrangements
25 with financial institutions, and participation in interest
26 rate swaps or guarantee agreements or other arrangements to
27 limit interest rate risk.

28 (c) The financing of the facilities and other purposes
29 described in Section 4 of this Act through the issuance of
30 Bonds will involve numerous expenditures over extended periods
31 of time, all of which expenditures shall be made only pursuant
32 to and in conformity with appropriations from Bond proceeds by
33 the General Assembly prior to the making of such expenditures.

34 (d) Determinations with respect to (i) advantageous timing

1 and amounts of such expenditures for particular approved
2 facilities or purposes, (ii) establishing an advantageous mix
3 of short-term and long-term debt instruments under bond market
4 conditions prevailing from time to time, and (iii) specific
5 allocations of Bond proceeds to particular facilities and
6 purposes should be based upon financial, engineering and
7 construction management judgments made from time to time.

8 (e) The State's ability to issue Bonds from time to time,
9 without further action by the General Assembly, in separate
10 series, in various principal amounts and with various interest
11 rates, maturities, redemption provisions and other terms will
12 enhance the State's opportunities to obtain such financing as
13 needed, upon favorable terms.

14 In order to provide for flexibility in meeting the
15 financial, engineering and construction needs of the State and
16 its agencies and departments and in order to provide continuing
17 and adequate financing for the aforesaid purposes on favorable
18 terms, the delegations of authority to the Governor, the
19 Director of the Governor's Office of Management and Budget
20 ~~Bureau of the Budget~~, the State Comptroller, the State
21 Treasurer and other officers of the State which are contained
22 in this Act are necessary and desirable because this General
23 Assembly cannot itself as understandingly, advantageously,
24 expeditiously or conveniently exercise such authority and make
25 such specific determinations.

26 (Source: P.A. 84-111; revised 8-23-03.)

27 (30 ILCS 425/5) (from Ch. 127, par. 2805)

28 Sec. 5. Bond Sale Expenses.

29 (a) An amount not to exceed 0.5% of the principal amount of
30 the proceeds of the sale of each bond sale is authorized to be
31 used to pay necessary to pay the reasonable costs of each
32 issuance and sale of Bonds authorized and sold pursuant to this
33 Act, including, without limitation, underwriter's discounts
34 and fees, but excluding bond insurance, advertising, printing,
35 bond rating, travel of outside vendors, security, delivery,

1 legal and financial advisory services, ~~insurance~~, initial fees
2 of trustees, registrars, paying agents and other fiduciaries,
3 initial costs of credit or liquidity enhancement arrangements,
4 initial fees of indexing and remarketing agents, and initial
5 costs of interest rate swaps, guarantees or arrangements to
6 limit interest rate risk, as determined in the related Bond
7 Sale Order, ~~is hereby authorized to be paid~~ from the proceeds
8 of each Bond sale, provided that no salaries of State employees
9 or other State office operating expenses shall be paid out of
10 non-appropriated proceeds. The Governor's Office of Management
11 and Budget shall compile a summary of all costs of issuance on
12 each sale (including both costs paid out of proceeds and those
13 paid out of appropriated funds) and post that summary on its
14 web site within 20 business days after the issuance of the
15 bonds. That posting shall be maintained on the web site for a
16 period of at least 30 days. In addition, the Governor's Office
17 of Management and Budget shall provide a written copy of each
18 summary of costs to the Speaker and Minority Leader of the
19 House of Representatives, the President and Minority Leader of
20 the Senate, and the Illinois Economic and Fiscal Commission
21 within 20 business days after each issuance of the bonds. This
22 summary shall include, as applicable, the respective
23 percentage of participation and compensation of each
24 underwriter that is a member of the underwriting syndicate,
25 legal counsel, financial advisors, and other professionals for
26 the Bond issue, and an identification of all costs of issuance
27 paid to minority owned businesses, female owned businesses, and
28 businesses owned by persons with disabilities. The terms
29 "minority owned businesses", "female owned businesses", and
30 "business owned by a person with a disability" have the
31 meanings given to those terms in the Business Enterprise for
32 Minorities, Females, and Persons with Disabilities Act. In
33 addition, the Governor's Office of Management and Budget shall
34 provide copies of all contracts under which any costs of
35 issuance are paid or to be paid to the Illinois Economic and
36 Fiscal Commission within 20 business days after the issuance of

1 Bonds for which those costs are paid or to be paid. Instead of
2 filing a second or subsequent copy of the same contract, the
3 Governor's Office of Management and Budget may file a statement
4 that specified costs are paid under specified contracts filed
5 earlier with the Commission.

6 (b) The Director of the Governor's Office of Management and
7 Budget shall not, in connection with the issuance of Bonds,
8 contract with any underwriter, financial advisor, or attorney
9 unless that underwriter, financial advisor, or attorney
10 certifies that the underwriter, financial advisor, or attorney
11 has not and will not pay a contingent fee, whether directly or
12 indirectly, to any third party for having promoted the
13 selection of the underwriter, financial advisor, or attorney
14 for that contract. In the event that the Governor's Office of
15 Management and Budget determines that an underwriter,
16 financial advisor, or attorney has filed a false certification
17 with respect to the payment of contingent fees, the Governor's
18 Office of Management and Budget shall not contract with that
19 underwriter, financial advisor, or attorney, or with any firm
20 employing any person who signed false certifications, for a
21 period of 2 calendar years, beginning with the date the
22 determination is made. The validity of Bonds issued under such
23 circumstances of violation pursuant to this Section shall not
24 be affected.

25 (Source: P.A. 84-111.)

26 (30 ILCS 425/6) (from Ch. 127, par. 2806)

27 Sec. 6. Conditions for Issuance and Sale of Bonds -
28 Requirements for Bonds - Master and Supplemental Indentures -
29 Credit and Liquidity Enhancement. (a) Bonds shall be issued and
30 sold from time to time, in one or more series, in such amounts
31 and at such prices as directed by the Governor, upon
32 recommendation by the Director of the Governor's Office of
33 Management and Budget ~~Bureau of the Budget~~. Bonds shall be
34 payable only from the specific sources and secured in the
35 manner provided in this Act. Bonds shall be in such form, in

1 such denominations, mature on such dates within 25 ~~30~~ years
2 from their date of issuance, be subject to optional or
3 mandatory redemption, bear interest payable at such times and
4 at such rate or rates, fixed or variable, and be dated as shall
5 be fixed and determined by the Director of the Governor's
6 Office of Management and Budget ~~Bureau of the Budget~~ in an
7 order authorizing the issuance and sale of any series of Bonds,
8 which order shall be approved by the Governor and is herein
9 called a "Bond Sale Order"; provided, however, that interest
10 payable at fixed rates shall not exceed that permitted in "An
11 Act to authorize public corporations to issue bonds, other
12 evidences of indebtedness and tax anticipation warrants
13 subject to interest rate limitations set forth therein",
14 approved May 26, 1970, as now or hereafter amended, and
15 interest payable at variable rates shall not exceed the maximum
16 rate permitted in the Bond Sale Order. Said Bonds shall be
17 payable at such place or places, within or without the State of
18 Illinois, and may be made registrable as to either principal
19 only or as to both principal and interest, as shall be
20 specified in the Bond Sale Order. Bonds may be callable or
21 subject to purchase and retirement or remarketing as fixed and
22 determined in the Bond Sale Order. Bonds must be issued with
23 principal or mandatory redemption amounts in equal amounts,
24 with the first maturity issued occurring within the fiscal year
25 in which the Bonds are issued or within the next succeeding
26 fiscal year, with Bonds issued maturing or subject to mandatory
27 redemption each fiscal year thereafter up to 25 years.

28 All Bonds authorized under this Act shall be issued
29 pursuant to a master trust indenture ("Master Indenture")
30 executed and delivered on behalf of the State by the Director
31 of the Governor's Office of Management and Budget ~~Bureau of the~~
32 ~~Budget~~, such Master Indenture to be in substantially the form
33 approved in the Bond Sale Order authorizing the issuance and
34 sale of the initial series of Bonds issued under this Act. Such
35 initial series of Bonds may, and each subsequent series of
36 Bonds shall, also be issued pursuant to a supplemental trust

1 indenture ("Supplemental Indenture") executed and delivered on
2 behalf of the State by the Director of the Governor's Office of
3 Management and Budget ~~Bureau of the Budget~~, each such
4 Supplemental Indenture to be in substantially the form approved
5 in the Bond Sale Order relating to such series. The Master
6 Indenture and any Supplemental Indenture shall be entered into
7 with a bank or trust company in the State of Illinois having
8 trust powers and possessing capital and surplus of not less
9 than \$100,000,000. Such indentures shall set forth the terms
10 and conditions of the Bonds and provide for payment of and
11 security for the Bonds, including the establishment and
12 maintenance of debt service and reserve funds, and for other
13 protections for holders of the Bonds. The term "reserve funds"
14 as used in this Act shall include funds and accounts
15 established under indentures to provide for the payment of
16 principal of and premium and interest on Bonds, to provide for
17 the purchase, retirement or defeasance of Bonds, to provide for
18 fees of trustees, registrars, paying agents and other
19 fiduciaries and to provide for payment of costs of and debt
20 service payable in respect of credit or liquidity enhancement
21 arrangements, interest rate swaps or guarantees or financial
22 futures contracts and indexing and remarketing agents'
23 services.

24 In the case of any series of Bonds bearing interest at a
25 variable interest rate ("Variable Rate Bonds"), in lieu of
26 determining the rate or rates at which such series of Variable
27 Rate Bonds shall bear interest and the price or prices at which
28 such Variable Rate Bonds shall be initially sold or remarketed
29 (in the event of purchase and subsequent resale), the Bond Sale
30 Order may provide that such interest rates and prices may vary
31 from time to time depending on criteria established in such
32 Bond Sale Order, which criteria may include, without
33 limitation, references to indices or variations in interest
34 rates as may, in the judgment of a remarketing agent, be
35 necessary to cause Bonds of such series to be remarketable from
36 time to time at a price equal to their principal amount (or

1 compound accreted value in the case of original issue discount
2 Bonds), and may provide for appointment of indexing agents and
3 a bank, trust company, investment bank or other financial
4 institution to serve as remarketing agent in that connection.
5 The Bond Sale Order may provide that alternative interest rates
6 or provisions for establishing alternative interest rates,
7 different security or claim priorities or different call or
8 amortization provisions will apply during such times as Bonds
9 of any series are held by a person providing credit or
10 liquidity enhancement arrangements for such Bonds as
11 authorized in subsection (b) of Section 6 of this Act.

12 (b) In connection with the issuance of any series of Bonds,
13 the State may enter into arrangements to provide additional
14 security and liquidity for such Bonds, including, without
15 limitation, bond or interest rate insurance or letters of
16 credit, lines of credit, bond purchase contracts or other
17 arrangements whereby funds are made available to retire or
18 purchase Bonds, thereby assuring the ability of owners of the
19 Bonds to sell or redeem their Bonds. The State may enter into
20 contracts and may agree to pay fees to persons providing such
21 arrangements, but only under circumstances where the Director
22 of the Bureau of the Budget (now Governor's Office of
23 Management and Budget) certifies that he reasonably expects the
24 total interest paid or to be paid on the Bonds, together with
25 the fees for the arrangements (being treated as if interest),
26 would not, taken together, cause the Bonds to bear interest,
27 calculated to their stated maturity, at a rate in excess of the
28 rate which the Bonds would bear in the absence of such
29 arrangements. Any bonds, notes or other evidences of
30 indebtedness issued pursuant to any such arrangements for the
31 purpose of retiring and discharging outstanding Bonds shall
32 constitute refunding Bonds under Section 15 of this Act. The
33 State may participate in and enter into arrangements with
34 respect to interest rate swaps or guarantees or financial
35 futures contracts for the purpose of limiting or restricting
36 interest rate risk; provided that such arrangements shall be

1 made with or executed through banks having capital and surplus
2 of not less than \$100,000,000 or insurance companies holding
3 the highest policyholder rating accorded insurers by A.M. Best
4 & Co. or any comparable rating service or government bond
5 dealers reporting to, trading with, and recognized as primary
6 dealers by a Federal Reserve Bank and having capital and
7 surplus of not less than \$100,000,000, or other persons whose
8 debt securities are rated in the highest long-term categories
9 by both Moody's Investors' Services, Inc. and Standard & Poor's
10 Corporation. Agreements incorporating any of the foregoing
11 arrangements may be executed and delivered by the Director of
12 the Governor's Office of Management and Budget ~~Bureau of the~~
13 ~~Budget~~ on behalf of the State in substantially the form
14 approved in the Bond Sale Order relating to such Bonds.

15 (Source: P.A. 84-111; revised 8-23-03.)

16 (30 ILCS 425/8) (from Ch. 127, par. 2808)

17 Sec. 8. Sale of Bonds. Bonds, except as otherwise provided
18 in this Section, shall be sold from time to time pursuant to
19 notice of sale and public bid or by negotiated sale in such
20 amounts and at such times as are directed by the Governor, upon
21 recommendation by the Director of the Governor's Office of
22 Management and Budget. At least 25%, based on total principal
23 amount, of all Bonds issued each fiscal year shall be sold
24 pursuant to notice of sale and public bid. At all times during
25 each fiscal year, no more than 75%, based on total principal
26 amount, of the Bonds issued each fiscal year shall have been
27 sold by negotiated sale. Failure to satisfy the requirements in
28 the preceding 2 sentences shall not affect the validity of any
29 previously issued Bonds.

30 If any Bonds are to be sold pursuant to notice of sale and
31 public bid, the Director of the Governor's Office of Management
32 and Budget shall comply with the competitive request for
33 proposal process set forth in the Illinois Procurement Code and
34 all other applicable requirements of that Code.

35 If Bonds are to be sold pursuant to notice of sale and

1 public bid, the Director of the Governor's Office of Management
2 and Budget shall, from time to time, as Bonds are to be sold,
3 advertise the sale of the Bonds in at least 2 daily newspapers,
4 one of which is published in the City of Springfield and one in
5 the City of Chicago. The sale of the Bonds shall also be
6 advertised in the volume of the Illinois Procurement Bulletin
7 that is published by the Department of Central Management
8 Services. Each of the advertisements for proposals shall be
9 published once at least 10 days prior to the date fixed for the
10 opening of the bids. The Director of the Governor's Office of
11 Management and Budget may reschedule the date of sale upon the
12 giving of such additional notice as the Director deems adequate
13 to inform prospective bidders of the change; provided, however,
14 that all other conditions of the sale shall continue as
15 originally advertised. Bonds shall be sold from time to time
16 ~~pursuant to advertised notice of sale and public bid or by~~
17 ~~negotiated sale as the Director of the Bureau of the Budget~~
18 ~~shall, in his sole discretion, determine in order to market the~~
19 ~~Bonds in an economic, effective manner.~~ Executed Bonds shall,
20 upon payment therefor, be delivered to the purchaser, and the
21 proceeds of Bonds shall be paid into the State Treasury as
22 directed by Section 9 of this Act. The Governor or the Director
23 of the Governor's Office of Management and Budget ~~Bureau of the~~
24 ~~Budget~~ is hereby authorized and directed to execute and deliver
25 contracts of sale with underwriters and to execute and deliver
26 such certificates, indentures, agreements and documents,
27 including any supplements or amendments thereto, and to take
28 such actions and do such things as shall be necessary or
29 desirable to carry out the purposes of this Act. Any action
30 authorized or permitted to be taken by the Director of the
31 Governor's Office of Management and Budget ~~Bureau of the Budget~~
32 pursuant to this Act is hereby authorized to be taken by any
33 person specifically designated by the Governor to take such
34 action in a certificate signed by the Governor and filed with
35 the Secretary of State.

36 (Source: P.A. 84-111; revised 8-23-03.)

1 (30 ILCS 425/8.3 new)

2 Sec. 8.3. Compliance with the Business Enterprise for
3 Minorities, Females, and Persons with Disabilities Act.
4 Notwithstanding any other provision of law, the Governor's
5 Office of Management and Budget shall comply with the Business
6 Enterprise for Minorities, Females, and Persons with
7 Disabilities Act.

8 (30 ILCS 425/8.5 new)

9 Sec. 8.5. Truth in borrowing disclosures.

10 (a) Within 20 business days after the issuance of any Bonds
11 under this Act, the Director of the Governor's Office of
12 Management and Budget shall publish a truth in borrowing
13 disclosure that discloses the total principal and interest
14 payments to be paid on the Bonds over the full stated term of
15 the Bonds. The disclosure also shall include principal and
16 interest payments to be made by each fiscal year over the full
17 stated term of the Bonds and total principal and interest
18 payments to be made by each fiscal year on all other
19 outstanding Bonds issued under this Act over the full stated
20 terms of those Bonds.

21 (b) Within 20 business days after the issuance of any
22 refunding bonds under Section 15 of this Act, the Director of
23 the Governor's Office of Management and Budget shall publish a
24 truth in borrowing disclosure that discloses the estimated
25 present-valued savings to be obtained through the refunding, in
26 total and by each fiscal year that the refunding Bonds may be
27 outstanding.

28 (c) The disclosures required in subsections (a) and (b)
29 shall be published by posting the disclosures for no less than
30 30 days on the web site of the Governor's Office of Management
31 and Budget and by providing the disclosures in written form to
32 the Illinois Economic and Fiscal Commission. These disclosures
33 shall be calculated assuming Bonds are not redeemed or refunded
34 prior to their stated maturities. Amounts included in these

1 disclosures as payment of interest on variable rate Bonds shall
2 be computed at an interest rate equal to the rate at which the
3 variable rate Bonds are first set upon issuance, plus 2.5%,
4 after taking into account any credits permitted in the related
5 indenture or other instrument against the amount of such
6 interest for each fiscal year. Amounts included in these
7 disclosures as payments of interest shall include those amounts
8 paid pursuant to arrangements authorized pursuant to
9 subsection (b) of Section 6 of this Act.

10 (30 ILCS 425/9) (from Ch. 127, par. 2809)

11 Sec. 9. Allocation of Proceeds from Sale of Bonds. Proceeds
12 from the sale of Bonds (other than refunding Bonds) shall be
13 deposited in the separate fund in the State Treasury known as
14 the Build Illinois Bond Fund and shall be expended only
15 pursuant to appropriation by the General Assembly. Proceeds to
16 be deposited into any debt service or reserve funds as may be
17 required under any trust indenture shall be paid from the Build
18 Illinois Bond Fund to the trustee under the trust indenture
19 specified in the Bond Sale Order at the time of the delivery of
20 the Bonds ~~and proceeds to be used to pay expenses of issuance~~
21 ~~and sale shall be paid from the Build Illinois Bond Fund~~ as
22 directed in the Bond Sale Order. Accrued interest paid to the
23 State at the time of the delivery of any series of Bonds shall
24 be deposited into the Build Illinois Bond Retirement and
25 Interest Fund in the State Treasury and shall be paid
26 immediately from that Fund to the trustee under the trust
27 indenture specified in the Bond Sale Order.

28 (Source: P.A. 86-44.)

29 (30 ILCS 425/15) (from Ch. 127, par. 2815)

30 Sec. 15. Refunding Bonds. Refunding Bonds are hereby
31 authorized for the purpose of refunding any outstanding Bonds,
32 including the payment of any redemption premium thereon, any
33 reasonable expenses of such refunding, and any interest accrued
34 or to accrue to the earliest or any subsequent date of

1 redemption or maturity of outstanding Bonds; provided that all
2 non-refunding Bonds in an issue that includes ~~such~~ refunding
3 Bonds shall mature no later than the final maturity date of
4 Bonds being refunded; provided that no refunding Bonds shall be
5 offered for sale unless the net present value of debt service
6 savings to be achieved by the issuance of the refunding Bonds
7 is 3% or more of the principal amount of the refunding Bonds to
8 be issued; and further provided that the maturities of the
9 refunding Bonds shall not extend beyond the maturities of the
10 Bonds they refund, so that for each fiscal year in the maturity
11 schedule of a particular issue of refunding Bonds, the total
12 amount of refunding principal maturing and redemption amounts
13 due in that fiscal year and all prior fiscal years in that
14 schedule shall be greater than or equal to the total amount of
15 refunded principal and redemption amounts that had been due
16 over that year and all prior fiscal years prior to the
17 refunding.

18 Refunding Bonds may be sold in such amounts and at such
19 times, as directed by the Governor upon recommendation by the
20 Director of the Governor's Office of Management and Budget
21 ~~Bureau of the Budget~~. The Governor shall notify the State
22 Treasurer and Comptroller of such refunding. The proceeds
23 received from the sale of refunding Bonds shall be used for the
24 retirement at maturity or redemption of such outstanding Bonds
25 on any maturity or redemption date and, pending such use, shall
26 be placed in escrow, subject to such terms and conditions as
27 shall be provided for in the Bond Sale Order relating to the
28 refunding Bonds. This Act shall constitute an irrevocable and
29 continuing appropriation of all amounts necessary to establish
30 an escrow account for the purpose of refunding outstanding
31 Bonds and to pay the reasonable expenses of such refunding and
32 of the issuance and sale of the refunding Bonds. Any such
33 escrowed proceeds may be invested and reinvested in direct
34 obligations of the United States of America, maturing at such
35 time or times as shall be appropriate to assure the prompt
36 payment, when due, of the principal of and interest and

1 redemption premium, if any, on the refunded Bonds. After the
2 terms of the escrow have been fully satisfied, any remaining
3 balance of such proceeds and interest, income and profits
4 earned or realized on the investments thereof shall be paid
5 into the General Revenue Fund. The liability of the State upon
6 the refunded Bonds shall continue, provided that the holders
7 thereof shall thereafter be entitled to payment only out of the
8 moneys deposited in the escrow account and the refunded Bonds
9 shall be deemed paid, discharged and no longer to be
10 outstanding.

11 Except as otherwise herein provided in this Section, such
12 refunding Bonds shall in all other respects be issued pursuant
13 to and subject to the terms and conditions of this Act and
14 shall be secured by and payable from only the funds and sources
15 which are provided under this Act.

16 (Source: P.A. 84-111; revised 8-23-03.)

17 Section 10-130. The Illinois Procurement Code is amended by
18 changing Sections 5-5, 5-25, and 40-15 and by adding Sections
19 5-30, 20-150, 25-200, 30-150, 35-150, 40-55, 40-150, and 53-150
20 as follows:

21 (30 ILCS 500/5-5)

22 Sec. 5-5. Procurement Policy Board.

23 (a) Creation. There is created a Procurement Policy Board,
24 an agency of the State of Illinois.

25 (b) Authority and duties. The Board shall have the
26 authority and responsibility to review, comment upon, and
27 recommend, consistent with this Code, rules and practices
28 governing the procurement, management, control, and disposal
29 of supplies, services, professional or artistic services,
30 construction, and real property and capital improvement leases
31 procured by the State.

32 Upon a three-fifths vote of its members, the Board may
33 review a contract. Upon a three-fifths vote of its members, the
34 Board may propose procurement rules for consideration by chief

1 procurement officers. These proposals shall be published in
2 each volume of the Procurement Bulletin. Except as otherwise
3 provided by law, the Board shall act upon the vote of a
4 majority of its members who have been appointed and are
5 serving.

6 (b-5) Reviews, studies, and hearings. The Board may review,
7 study, and hold public hearings concerning the implementation
8 and administration of this Code. Each chief procurement
9 officer, associate procurement officer, State purchasing
10 officer, and State agency shall cooperate with the Board,
11 provide information to the Board, and be responsive to the
12 Board in the Board's conduct of its reviews, studies, and
13 hearings.

14 (c) Members. The Board shall consist of 5 members appointed
15 one each by the 4 legislative leaders and the Governor. Each
16 member shall have demonstrated sufficient business or
17 professional experience in the area of procurement to perform
18 the functions of the Board. No member may be a member of the
19 General Assembly.

20 (d) Terms. Of the initial appointees, the Governor shall
21 designate one member, as Chairman, to serve a one-year term,
22 the President of the Senate and the Speaker of the House shall
23 each appoint one member to serve 3-year terms, and the Minority
24 Leader of the House and the Minority Leader of the Senate shall
25 each appoint one member to serve 2-year terms. Subsequent terms
26 shall be 4 years. Members may be reappointed for succeeding
27 terms.

28 (e) Reimbursement. Members shall receive no compensation
29 but shall be reimbursed for any expenses reasonably incurred in
30 the performance of their duties.

31 (f) Staff support. Upon a three-fifths vote of its members,
32 the Board may employ an executive director. Subject to
33 appropriation, the Board also may employ a reasonable and
34 necessary number of ~~have up to 3~~ staff persons. ~~Other support~~
35 ~~services shall be provided by the chief procurement officers.~~

36 (g) Meetings. Meetings of the Board may be conducted

1 telephonically, electronically, or through the use of other
2 telecommunications. Written minutes of such meetings shall be
3 created and available for public inspection and copying.

4 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

5 (30 ILCS 500/5-25)

6 Sec. 5-25. Rulemaking authority; agency policy; agency
7 response.

8 (a) Rulemaking. A State agency authorized to make
9 procurements under this Code shall have the authority to
10 promulgate rules to carry out that authority. That rulemaking
11 on specific procurement topics is mentioned in specific
12 Sections of this Code shall not be construed as prohibiting or
13 limiting rulemaking on other procurement topics.

14 All rules shall be promulgated in accordance with the
15 Illinois Administrative Procedure Act. Contractual provisions,
16 specifications, and procurement descriptions are not rules and
17 are not subject to the Illinois Administrative Procedure Act.
18 All rules other than those promulgated by the Board shall be
19 presented in writing to the Board for its review and comment.
20 The Board shall express its opinions and recommendations in
21 writing. Both the proposed rules and Board recommendations
22 shall be made available for public review. The rules shall also
23 be approved by the applicable chief procurement officer and the
24 Joint Committee on Administrative Rules.

25 (b) Policy. Each chief procurement officer, associate
26 procurement officer, and State agency shall promptly notify the
27 Procurement Policy Board in writing of any proposed new
28 procurement rule or policy or any proposed change in an
29 existing procurement rule or policy.

30 (c) Response. Each State agency must respond promptly in
31 writing to all inquiries and comments of the Procurement Policy
32 Board.

33 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

34 (30 ILCS 500/5-30 new)

1 Sec. 5-30. Proposed contracts; Procurement Policy Board.

2 (a) Except as provided in subsection (c), within 30 days
3 after notice of the awarding or letting of a contract has
4 appeared in the Procurement Bulletin in accordance with
5 subsection (b) of Section 15-25, the Board may request in
6 writing from the contracting agency and the contracting agency
7 shall promptly, but in no event later than 5 business days
8 after receipt of the request, provide to the Board, by
9 electronic or other means satisfactory to the Board,
10 documentation in the possession of the contracting agency
11 concerning the proposed contract. Nothing in this subsection is
12 intended to waive or abrogate any privilege or right of
13 confidentiality authorized by law.

14 (b) No contract subject to this Section may be entered into
15 until the 30-day period described in subsection (a) has
16 expired, unless the contracting agency requests in writing that
17 the Board waive the period and the Board grants the waiver in
18 writing.

19 (c) This Section does not apply to (i) contracts entered
20 into under this Code for small and emergency procurements as
21 those procurements are defined in Article 20 and (ii) contracts
22 for professional and artistic services that are nonrenewable,
23 one year or less in duration, and have a value of less than
24 \$20,000. If requested in writing by the Board, however, the
25 contracting agency must promptly, but in no event later than 8
26 business days after receipt of the request, transmit to the
27 Board a copy of the contract for an emergency procurement and
28 documentation in the possession of the contracting agency
29 concerning the contract.

30 (30 ILCS 500/20-150 new)

31 Sec. 20-150. Proposed contracts; Procurement Policy Board.

32 This Article is subject to Section 5-30 of this Code.

33 (30 ILCS 500/25-200 new)

34 Sec. 25-200. Proposed contracts; Procurement Policy Board.

1 This Article is subject to Section 5-30 of this Code.

2 (30 ILCS 500/30-150 new)

3 Sec. 30-150. Proposed contracts; Procurement Policy Board.

4 This Article is subject to Section 5-30 of this Code.

5 (30 ILCS 500/35-150 new)

6 Sec. 35-150. Proposed contracts; Procurement Policy Board.

7 This Article is subject to Section 5-30 of this Code.

8 (30 ILCS 500/40-15)

9 Sec. 40-15. Method of source selection.

10 (a) Request for information. Except as provided in
11 subsections (b) and (c), all State contracts for leases of real
12 property or capital improvements shall be awarded by a request
13 for information process in accordance with Section 40-20.

14 (b) Other methods. A request for information process need
15 not be used in procuring any of the following leases:

16 (1) Property of less than 10,000 square feet.

17 (2) Rent of less than \$100,000 per year.

18 (3) Duration of less than one year that cannot be
19 renewed.

20 (4) Specialized space available at only one location.

21 (5) Renewal or extension of a lease in effect before
22 July 1, 2002 ~~1999~~; provided that: (i) the chief procurement
23 officer determines in writing that the renewal or extension
24 is in the best interest of the State; (ii) the chief
25 procurement officer submits his or her written
26 determination and the renewal or extension to the Board;
27 (iii) the Board does not object in writing to the renewal
28 or extension within 30 days after its submission; and (iv)
29 the chief procurement officer publishes the renewal or
30 extension in the appropriate volume of the Procurement
31 Bulletin.

32 (c) Leases with governmental units. Leases with other
33 governmental units may be negotiated without using the request

1 for information process when deemed by the chief procurement
2 officer to be in the best interest of the State.

3 (Source: P.A. 93-133, eff. 1-1-04.)

4 (30 ILCS 500/40-55 new)

5 Sec. 40-55. Lessor's failure to make improvements. Each
6 lease must provide for a penalty upon the lessor's failure to
7 make improvements agreed upon in the lease. The penalty shall
8 consist of a reduction in lease payments equal to the
9 corresponding percentage of the improvement value to the lease
10 value. The penalty shall continue until the lessor complies
11 with the lease and the improvements are certified by the chief
12 procurement officer and the leasing State agency.

13 (30 ILCS 500/40-150 new)

14 Sec. 40-150. Proposed contracts; Procurement Policy Board.
15 This Article is subject to Section 5-30 of this Code.

16 (30 ILCS 500/53-150 new)

17 Sec. 53-150. Proposed contracts; Procurement Policy Board.
18 This Article is subject to Section 5-30 of this Code.

19 Section 10-133. The Illinois Coal Technology Development
20 Assistance Act is amended by changing Section 3 as follows:

21 (30 ILCS 730/3) (from Ch. 96 1/2, par. 8203)

22 Sec. 3. Transfers to Coal Technology Development
23 Assistance Funds. As soon as may be practicable after the first
24 day of each month, the Department of Revenue shall certify to
25 the Treasurer an amount equal to 1/64 of the revenue realized
26 from the tax imposed by the Electricity Excise Tax Law, Section
27 2 of the Public Utilities Revenue Act, Section 2 of the
28 Messages Tax Act, and Section 2 of the Gas Revenue Tax Act,
29 during the preceding month. Upon receipt of the certification,
30 the Treasurer shall transfer the amount shown on such
31 certification from the General Revenue Fund to the Coal

1 Technology Development Assistance Fund, which is hereby
2 created as a special fund in the State treasury, except that no
3 transfer shall be made in any month in which the Fund has
4 reached the following balance:

5 (1) \$7,000,000 during fiscal year 1994.

6 (2) \$8,500,000 during fiscal year 1995.

7 (3) \$10,000,000 during fiscal years 1996 and 1997.

8 (4) During fiscal year 1998 through fiscal year 2004
9 ~~and each year thereafter~~, an amount equal to the sum of
10 \$10,000,000 plus additional moneys deposited into the Coal
11 Technology Development Assistance Fund from the Renewable
12 Energy Resources and Coal Technology Development Assistance
13 Charge under Section 6.5 of the Renewable Energy, Energy
14 Efficiency, and Coal Resources Development Law of 1997.

15 (5) During fiscal year 2005, an amount equal to the sum
16 of \$7,000,000 plus additional moneys deposited into the
17 Coal Technology Development Assistance Fund from the
18 Renewable Energy Resources and Coal Technology Development
19 Assistance Charge under Section 6.5 of the Renewable
20 Energy, Energy Efficiency, and Coal Resources Development
21 Law of 1997.

22 (6) During fiscal year 2006 and each fiscal year
23 thereafter, an amount equal to the sum of \$10,000,000 plus
24 additional moneys deposited into the Coal Technology
25 Development Assistance Fund from the Renewable Energy
26 Resources and Coal Technology Development Assistance
27 Charge under Section 6.5 of the Renewable Energy, Energy
28 Efficiency, and Coal Resources Development Law of 1997.

29 (Source: P.A. 90-561, eff. 12-16-97; 90-624, eff. 7-10-98.)

30 Section 10-135. The Illinois Income Tax Act is amended by
31 changing Section 901 as follows:

32 (35 ILCS 5/901) (from Ch. 120, par. 9-901)

33 Sec. 901. Collection Authority.

34 (a) In general.

1 The Department shall collect the taxes imposed by this Act.
2 The Department shall collect certified past due child support
3 amounts under Section 2505-650 of the Department of Revenue Law
4 (20 ILCS 2505/2505-650). Except as provided in subsections (c)
5 and (e) of this Section, money collected pursuant to
6 subsections (a) and (b) of Section 201 of this Act shall be
7 paid into the General Revenue Fund in the State treasury; money
8 collected pursuant to subsections (c) and (d) of Section 201 of
9 this Act shall be paid into the Personal Property Tax
10 Replacement Fund, a special fund in the State Treasury; and
11 money collected under Section 2505-650 of the Department of
12 Revenue Law (20 ILCS 2505/2505-650) shall be paid into the
13 Child Support Enforcement Trust Fund, a special fund outside
14 the State Treasury, or to the State Disbursement Unit
15 established under Section 10-26 of the Illinois Public Aid
16 Code, as directed by the Department of Public Aid.

17 (b) Local Governmental Distributive Fund.

18 Beginning August 1, 1969, and continuing through June 30,
19 1994, the Treasurer shall transfer each month from the General
20 Revenue Fund to a special fund in the State treasury, to be
21 known as the "Local Government Distributive Fund", an amount
22 equal to 1/12 of the net revenue realized from the tax imposed
23 by subsections (a) and (b) of Section 201 of this Act during
24 the preceding month. Beginning July 1, 1994, and continuing
25 through June 30, 1995, the Treasurer shall transfer each month
26 from the General Revenue Fund to the Local Government
27 Distributive Fund an amount equal to 1/11 of the net revenue
28 realized from the tax imposed by subsections (a) and (b) of
29 Section 201 of this Act during the preceding month. Beginning
30 July 1, 1995, the Treasurer shall transfer each month from the
31 General Revenue Fund to the Local Government Distributive Fund
32 an amount equal to the net of (i) 1/10 of the net revenue
33 realized from the tax imposed by subsections (a) and (b) of
34 Section 201 of the Illinois Income Tax Act during the preceding
35 month (ii) minus, beginning July 1, 2003 and ending June 30,
36 2004, \$6,666,666, and beginning July 1, 2004, zero. Net revenue

1 realized for a month shall be defined as the revenue from the
2 tax imposed by subsections (a) and (b) of Section 201 of this
3 Act which is deposited in the General Revenue Fund, the
4 Educational Assistance Fund and the Income Tax Surcharge Local
5 Government Distributive Fund during the month minus the amount
6 paid out of the General Revenue Fund in State warrants during
7 that same month as refunds to taxpayers for overpayment of
8 liability under the tax imposed by subsections (a) and (b) of
9 Section 201 of this Act.

10 (c) Deposits Into Income Tax Refund Fund.

11 (1) Beginning on January 1, 1989 and thereafter, the
12 Department shall deposit a percentage of the amounts
13 collected pursuant to subsections (a) and (b)(1), (2), and
14 (3), of Section 201 of this Act into a fund in the State
15 treasury known as the Income Tax Refund Fund. The
16 Department shall deposit 6% of such amounts during the
17 period beginning January 1, 1989 and ending on June 30,
18 1989. Beginning with State fiscal year 1990 and for each
19 fiscal year thereafter, the percentage deposited into the
20 Income Tax Refund Fund during a fiscal year shall be the
21 Annual Percentage. For fiscal years 1999 through 2001, the
22 Annual Percentage shall be 7.1%. For fiscal year 2003, the
23 Annual Percentage shall be 8%. For fiscal year 2004, the
24 Annual Percentage shall be 11.7%. Upon the effective date
25 of this amendatory Act of the 93rd General Assembly, the
26 Annual Percentage shall be 10% for fiscal year 2005. For
27 all other fiscal years, the Annual Percentage shall be
28 calculated as a fraction, the numerator of which shall be
29 the amount of refunds approved for payment by the
30 Department during the preceding fiscal year as a result of
31 overpayment of tax liability under subsections (a) and
32 (b)(1), (2), and (3) of Section 201 of this Act plus the
33 amount of such refunds remaining approved but unpaid at the
34 end of the preceding fiscal year, minus the amounts
35 transferred into the Income Tax Refund Fund from the
36 Tobacco Settlement Recovery Fund, and the denominator of

1 which shall be the amounts which will be collected pursuant
2 to subsections (a) and (b) (1), (2), and (3) of Section 201
3 of this Act during the preceding fiscal year; except that
4 in State fiscal year 2002, the Annual Percentage shall in
5 no event exceed 7.6%. The Director of Revenue shall certify
6 the Annual Percentage to the Comptroller on the last
7 business day of the fiscal year immediately preceding the
8 fiscal year for which it is to be effective.

9 (2) Beginning on January 1, 1989 and thereafter, the
10 Department shall deposit a percentage of the amounts
11 collected pursuant to subsections (a) and (b) (6), (7), and
12 (8), (c) and (d) of Section 201 of this Act into a fund in
13 the State treasury known as the Income Tax Refund Fund. The
14 Department shall deposit 18% of such amounts during the
15 period beginning January 1, 1989 and ending on June 30,
16 1989. Beginning with State fiscal year 1990 and for each
17 fiscal year thereafter, the percentage deposited into the
18 Income Tax Refund Fund during a fiscal year shall be the
19 Annual Percentage. For fiscal years 1999, 2000, and 2001,
20 the Annual Percentage shall be 19%. For fiscal year 2003,
21 the Annual Percentage shall be 27%. For fiscal year 2004,
22 the Annual Percentage shall be 32%. Upon the effective date
23 of this amendatory Act of the 93rd General Assembly, the
24 Annual Percentage shall be 24% for fiscal year 2005. For
25 all other fiscal years, the Annual Percentage shall be
26 calculated as a fraction, the numerator of which shall be
27 the amount of refunds approved for payment by the
28 Department during the preceding fiscal year as a result of
29 overpayment of tax liability under subsections (a) and
30 (b) (6), (7), and (8), (c) and (d) of Section 201 of this
31 Act plus the amount of such refunds remaining approved but
32 unpaid at the end of the preceding fiscal year, and the
33 denominator of which shall be the amounts which will be
34 collected pursuant to subsections (a) and (b) (6), (7), and
35 (8), (c) and (d) of Section 201 of this Act during the
36 preceding fiscal year; except that in State fiscal year

1 2002, the Annual Percentage shall in no event exceed 23%.
2 The Director of Revenue shall certify the Annual Percentage
3 to the Comptroller on the last business day of the fiscal
4 year immediately preceding the fiscal year for which it is
5 to be effective.

6 (3) The Comptroller shall order transferred and the
7 Treasurer shall transfer from the Tobacco Settlement
8 Recovery Fund to the Income Tax Refund Fund (i) \$35,000,000
9 in January, 2001, (ii) \$35,000,000 in January, 2002, and
10 (iii) \$35,000,000 in January, 2003.

11 (d) Expenditures from Income Tax Refund Fund.

12 (1) Beginning January 1, 1989, money in the Income Tax
13 Refund Fund shall be expended exclusively for the purpose
14 of paying refunds resulting from overpayment of tax
15 liability under Section 201 of this Act, for paying rebates
16 under Section 208.1 in the event that the amounts in the
17 Homeowners' Tax Relief Fund are insufficient for that
18 purpose, and for making transfers pursuant to this
19 subsection (d).

20 (2) The Director shall order payment of refunds
21 resulting from overpayment of tax liability under Section
22 201 of this Act from the Income Tax Refund Fund only to the
23 extent that amounts collected pursuant to Section 201 of
24 this Act and transfers pursuant to this subsection (d) and
25 item (3) of subsection (c) have been deposited and retained
26 in the Fund.

27 (3) As soon as possible after the end of each fiscal
28 year, the Director shall order transferred and the State
29 Treasurer and State Comptroller shall transfer from the
30 Income Tax Refund Fund to the Personal Property Tax
31 Replacement Fund an amount, certified by the Director to
32 the Comptroller, equal to the excess of the amount
33 collected pursuant to subsections (c) and (d) of Section
34 201 of this Act deposited into the Income Tax Refund Fund
35 during the fiscal year over the amount of refunds resulting
36 from overpayment of tax liability under subsections (c) and

1 (d) of Section 201 of this Act paid from the Income Tax
2 Refund Fund during the fiscal year.

3 (4) As soon as possible after the end of each fiscal
4 year, the Director shall order transferred and the State
5 Treasurer and State Comptroller shall transfer from the
6 Personal Property Tax Replacement Fund to the Income Tax
7 Refund Fund an amount, certified by the Director to the
8 Comptroller, equal to the excess of the amount of refunds
9 resulting from overpayment of tax liability under
10 subsections (c) and (d) of Section 201 of this Act paid
11 from the Income Tax Refund Fund during the fiscal year over
12 the amount collected pursuant to subsections (c) and (d) of
13 Section 201 of this Act deposited into the Income Tax
14 Refund Fund during the fiscal year.

15 (4.5) As soon as possible after the end of fiscal year
16 1999 and of each fiscal year thereafter, the Director shall
17 order transferred and the State Treasurer and State
18 Comptroller shall transfer from the Income Tax Refund Fund
19 to the General Revenue Fund any surplus remaining in the
20 Income Tax Refund Fund as of the end of such fiscal year;
21 excluding for fiscal years 2000, 2001, and 2002 amounts
22 attributable to transfers under item (3) of subsection (c)
23 less refunds resulting from the earned income tax credit.

24 (5) This Act shall constitute an irrevocable and
25 continuing appropriation from the Income Tax Refund Fund
26 for the purpose of paying refunds upon the order of the
27 Director in accordance with the provisions of this Section.

28 (e) Deposits into the Education Assistance Fund and the
29 Income Tax Surcharge Local Government Distributive Fund.

30 On July 1, 1991, and thereafter, of the amounts collected
31 pursuant to subsections (a) and (b) of Section 201 of this Act,
32 minus deposits into the Income Tax Refund Fund, the Department
33 shall deposit 7.3% into the Education Assistance Fund in the
34 State Treasury. Beginning July 1, 1991, and continuing through
35 January 31, 1993, of the amounts collected pursuant to
36 subsections (a) and (b) of Section 201 of the Illinois Income

1 Tax Act, minus deposits into the Income Tax Refund Fund, the
2 Department shall deposit 3.0% into the Income Tax Surcharge
3 Local Government Distributive Fund in the State Treasury.
4 Beginning February 1, 1993 and continuing through June 30,
5 1993, of the amounts collected pursuant to subsections (a) and
6 (b) of Section 201 of the Illinois Income Tax Act, minus
7 deposits into the Income Tax Refund Fund, the Department shall
8 deposit 4.4% into the Income Tax Surcharge Local Government
9 Distributive Fund in the State Treasury. Beginning July 1,
10 1993, and continuing through June 30, 1994, of the amounts
11 collected under subsections (a) and (b) of Section 201 of this
12 Act, minus deposits into the Income Tax Refund Fund, the
13 Department shall deposit 1.475% into the Income Tax Surcharge
14 Local Government Distributive Fund in the State Treasury.

15 (Source: P.A. 92-11, eff. 6-11-01; 92-16, eff. 6-28-01; 92-600,
16 eff. 6-28-02; 93-32, eff. 6-20-03.)

17 Section 10-140. The Cigarette Tax Act is amended by
18 changing Section 2 as follows:

19 (35 ILCS 130/2) (from Ch. 120, par. 453.2)

20 Sec. 2. Tax imposed; rate; collection, payment, and
21 distribution; discount.

22 (a) A tax is imposed upon any person engaged in business as
23 a retailer of cigarettes in this State at the rate of 5 1/2
24 mills per cigarette sold, or otherwise disposed of in the
25 course of such business in this State. In addition to any other
26 tax imposed by this Act, a tax is imposed upon any person
27 engaged in business as a retailer of cigarettes in this State
28 at a rate of 1/2 mill per cigarette sold or otherwise disposed
29 of in the course of such business in this State on and after
30 January 1, 1947, and shall be paid into the Metropolitan Fair
31 and Exposition Authority Reconstruction Fund. On and after
32 December 1, 1985, in addition to any other tax imposed by this
33 Act, a tax is imposed upon any person engaged in business as a
34 retailer of cigarettes in this State at a rate of 4 mills per

1 cigarette sold or otherwise disposed of in the course of such
2 business in this State. Of the additional tax imposed by this
3 amendatory Act of 1985, \$9,000,000 of the moneys received by
4 the Department of Revenue pursuant to this Act shall be paid
5 each month into the Common School Fund. On and after the
6 effective date of this amendatory Act of 1989, in addition to
7 any other tax imposed by this Act, a tax is imposed upon any
8 person engaged in business as a retailer of cigarettes at the
9 rate of 5 mills per cigarette sold or otherwise disposed of in
10 the course of such business in this State. On and after the
11 effective date of this amendatory Act of 1993, in addition to
12 any other tax imposed by this Act, a tax is imposed upon any
13 person engaged in business as a retailer of cigarettes at the
14 rate of 7 mills per cigarette sold or otherwise disposed of in
15 the course of such business in this State. On and after
16 December 15, 1997, in addition to any other tax imposed by this
17 Act, a tax is imposed upon any person engaged in business as a
18 retailer of cigarettes at the rate of 7 mills per cigarette
19 sold or otherwise disposed of in the course of such business of
20 this State. All of the moneys received by the Department of
21 Revenue pursuant to this Act and the Cigarette Use Tax Act from
22 the additional taxes imposed by this amendatory Act of 1997,
23 shall be paid each month into the Common School Fund. On and
24 after July 1, 2002, in addition to any other tax imposed by
25 this Act, a tax is imposed upon any person engaged in business
26 as a retailer of cigarettes at the rate of 20.0 mills per
27 cigarette sold or otherwise disposed of in the course of such
28 business in this State. The payment of such taxes shall be
29 evidenced by a stamp affixed to each original package of
30 cigarettes, or an authorized substitute for such stamp
31 imprinted on each original package of such cigarettes
32 underneath the sealed transparent outside wrapper of such
33 original package, as hereinafter provided. However, such taxes
34 are not imposed upon any activity in such business in
35 interstate commerce or otherwise, which activity may not under
36 the Constitution and statutes of the United States be made the

1 subject of taxation by this State.

2 Beginning on the effective date of this amendatory Act of
3 the 92nd General Assembly, all of the moneys received by the
4 Department of Revenue pursuant to this Act and the Cigarette
5 Use Tax Act, other than the moneys that are dedicated to the
6 Metropolitan Fair and Exposition Authority Reconstruction Fund
7 and the Common School Fund, shall be distributed each month as
8 follows: first, there shall be paid into the General Revenue
9 Fund an amount which, when added to the amount paid into the
10 Common School Fund for that month, equals \$33,300,000, except
11 that in the month of August of 2004, this amount shall equal
12 \$83,300,000; then, from the moneys remaining, if any amounts
13 required to be paid into the General Revenue Fund in previous
14 months remain unpaid, those amounts shall be paid into the
15 General Revenue Fund; then, beginning on April 1, 2003, from
16 the moneys remaining, \$5,000,000 per month shall be paid into
17 the School Infrastructure Fund; then, if any amounts required
18 to be paid into the School Infrastructure Fund in previous
19 months remain unpaid, those amounts shall be paid into the
20 School Infrastructure Fund; then the moneys remaining, if any,
21 shall be paid into the Long-Term Care Provider Fund. To the
22 extent that more than \$25,000,000 has been paid into the
23 General Revenue Fund and Common School Fund per month for the
24 period of July 1, 1993 through the effective date of this
25 amendatory Act of 1994 from combined receipts of the Cigarette
26 Tax Act and the Cigarette Use Tax Act, notwithstanding the
27 distribution provided in this Section, the Department of
28 Revenue is hereby directed to adjust the distribution provided
29 in this Section to increase the next monthly payments to the
30 Long Term Care Provider Fund by the amount paid to the General
31 Revenue Fund and Common School Fund in excess of \$25,000,000
32 per month and to decrease the next monthly payments to the
33 General Revenue Fund and Common School Fund by that same excess
34 amount.

35 When any tax imposed herein terminates or has terminated,
36 distributors who have bought stamps while such tax was in

1 effect and who therefore paid such tax, but who can show, to
2 the Department's satisfaction, that they sold the cigarettes to
3 which they affixed such stamps after such tax had terminated
4 and did not recover the tax or its equivalent from purchasers,
5 shall be allowed by the Department to take credit for such
6 absorbed tax against subsequent tax stamp purchases from the
7 Department by such distributor.

8 The impact of the tax levied by this Act is imposed upon
9 the retailer and shall be prepaid or pre-collected by the
10 distributor for the purpose of convenience and facility only,
11 and the amount of the tax shall be added to the price of the
12 cigarettes sold by such distributor. Collection of the tax
13 shall be evidenced by a stamp or stamps affixed to each
14 original package of cigarettes, as hereinafter provided.

15 Each distributor shall collect the tax from the retailer at
16 or before the time of the sale, shall affix the stamps as
17 hereinafter required, and shall remit the tax collected from
18 retailers to the Department, as hereinafter provided. Any
19 distributor who fails to properly collect and pay the tax
20 imposed by this Act shall be liable for the tax. Any
21 distributor having cigarettes to which stamps have been affixed
22 in his possession for sale on the effective date of this
23 amendatory Act of 1989 shall not be required to pay the
24 additional tax imposed by this amendatory Act of 1989 on such
25 stamped cigarettes. Any distributor having cigarettes to which
26 stamps have been affixed in his or her possession for sale at
27 12:01 a.m. on the effective date of this amendatory Act of
28 1993, is required to pay the additional tax imposed by this
29 amendatory Act of 1993 on such stamped cigarettes. This
30 payment, less the discount provided in subsection (b), shall be
31 due when the distributor first makes a purchase of cigarette
32 tax stamps after the effective date of this amendatory Act of
33 1993, or on the first due date of a return under this Act after
34 the effective date of this amendatory Act of 1993, whichever
35 occurs first. Any distributor having cigarettes to which stamps
36 have been affixed in his possession for sale on December 15,

1 1997 shall not be required to pay the additional tax imposed by
2 this amendatory Act of 1997 on such stamped cigarettes.

3 Any distributor having cigarettes to which stamps have been
4 affixed in his or her possession for sale on July 1, 2002 shall
5 not be required to pay the additional tax imposed by this
6 amendatory Act of the 92nd General Assembly on those stamped
7 cigarettes.

8 The amount of the Cigarette Tax imposed by this Act shall
9 be separately stated, apart from the price of the goods, by
10 both distributors and retailers, in all advertisements, bills
11 and sales invoices.

12 (b) The distributor shall be required to collect the taxes
13 provided under paragraph (a) hereof, and, to cover the costs of
14 such collection, shall be allowed a discount during any year
15 commencing July 1st and ending the following June 30th in
16 accordance with the schedule set out hereinbelow, which
17 discount shall be allowed at the time of purchase of the stamps
18 when purchase is required by this Act, or at the time when the
19 tax is remitted to the Department without the purchase of
20 stamps from the Department when that method of paying the tax
21 is required or authorized by this Act. Prior to December 1,
22 1985, a discount equal to 1 2/3% of the amount of the tax up to
23 and including the first \$700,000 paid hereunder by such
24 distributor to the Department during any such year; 1 1/3% of
25 the next \$700,000 of tax or any part thereof, paid hereunder by
26 such distributor to the Department during any such year; 1% of
27 the next \$700,000 of tax, or any part thereof, paid hereunder
28 by such distributor to the Department during any such year, and
29 2/3 of 1% of the amount of any additional tax paid hereunder by
30 such distributor to the Department during any such year shall
31 apply. On and after December 1, 1985, a discount equal to 1.75%
32 of the amount of the tax payable under this Act up to and
33 including the first \$3,000,000 paid hereunder by such
34 distributor to the Department during any such year and 1.5% of
35 the amount of any additional tax paid hereunder by such
36 distributor to the Department during any such year shall apply.

1 Two or more distributors that use a common means of
2 affixing revenue tax stamps or that are owned or controlled by
3 the same interests shall be treated as a single distributor for
4 the purpose of computing the discount.

5 (c) The taxes herein imposed are in addition to all other
6 occupation or privilege taxes imposed by the State of Illinois,
7 or by any political subdivision thereof, or by any municipal
8 corporation.

9 (Source: P.A. 92-536, eff. 6-6-02.)

10 Section 10-145. The Motor Fuel Tax Law is amended by
11 changing Section 8 as follows:

12 (35 ILCS 505/8) (from Ch. 120, par. 424)

13 Sec. 8. Except as provided in Section 8a, subdivision
14 (h) (1) of Section 12a, Section 13a.6, and items 13, 14, 15, and
15 16 of Section 15, all money received by the Department under
16 this Act, including payments made to the Department by member
17 jurisdictions participating in the International Fuel Tax
18 Agreement, shall be deposited in a special fund in the State
19 treasury, to be known as the "Motor Fuel Tax Fund", and shall
20 be used as follows:

21 (a) 2 1/2 cents per gallon of the tax collected on special
22 fuel under paragraph (b) of Section 2 and Section 13a of this
23 Act shall be transferred to the State Construction Account Fund
24 in the State Treasury;

25 (b) \$420,000 shall be transferred each month to the State
26 Boating Act Fund to be used by the Department of Natural
27 Resources for the purposes specified in Article X of the Boat
28 Registration and Safety Act;

29 (c) \$2,250,000 shall be transferred each month to the Grade
30 Crossing Protection Fund to be used as follows: not less than
31 \$6,000,000 each fiscal year shall be used for the construction
32 or reconstruction of rail highway grade separation structures;
33 \$2,250,000 in fiscal year 2004 and each fiscal year thereafter
34 shall be transferred to the Transportation Regulatory Fund and

1 shall be accounted for as part of the rail carrier portion of
2 such funds and shall be used to pay the cost of administration
3 of the Illinois Commerce Commission's railroad safety program
4 in connection with its duties under subsection (3) of Section
5 18c-7401 of the Illinois Vehicle Code, with the remainder to be
6 used by the Department of Transportation upon order of the
7 Illinois Commerce Commission, to pay that part of the cost
8 apportioned by such Commission to the State to cover the
9 interest of the public in the use of highways, roads, streets,
10 or pedestrian walkways in the county highway system, township
11 and district road system, or municipal street system as defined
12 in the Illinois Highway Code, as the same may from time to time
13 be amended, for separation of grades, for installation,
14 construction or reconstruction of crossing protection or
15 reconstruction, alteration, relocation including construction
16 or improvement of any existing highway necessary for access to
17 property or improvement of any grade crossing including the
18 necessary highway approaches thereto of any railroad across the
19 highway or public road, or for the installation, construction,
20 reconstruction, or maintenance of a pedestrian walkway over or
21 under a railroad right-of-way, as provided for in and in
22 accordance with Section 18c-7401 of the Illinois Vehicle Code.
23 The Commission shall not order more than \$2,000,000 per year in
24 Grade Crossing Protection Fund moneys for pedestrian walkways.
25 In entering orders for projects for which payments from the
26 Grade Crossing Protection Fund will be made, the Commission
27 shall account for expenditures authorized by the orders on a
28 cash rather than an accrual basis. For purposes of this
29 requirement an "accrual basis" assumes that the total cost of
30 the project is expended in the fiscal year in which the order
31 is entered, while a "cash basis" allocates the cost of the
32 project among fiscal years as expenditures are actually made.
33 To meet the requirements of this subsection, the Illinois
34 Commerce Commission shall develop annual and 5-year project
35 plans of rail crossing capital improvements that will be paid
36 for with moneys from the Grade Crossing Protection Fund. The

1 annual project plan shall identify projects for the succeeding
2 fiscal year and the 5-year project plan shall identify projects
3 for the 5 directly succeeding fiscal years. The Commission
4 shall submit the annual and 5-year project plans for this Fund
5 to the Governor, the President of the Senate, the Senate
6 Minority Leader, the Speaker of the House of Representatives,
7 and the Minority Leader of the House of Representatives on the
8 first Wednesday in April of each year;

9 (d) of the amount remaining after allocations provided for
10 in subsections (a), (b) and (c), a sufficient amount shall be
11 reserved to pay all of the following:

12 (1) the costs of the Department of Revenue in
13 administering this Act;

14 (2) the costs of the Department of Transportation in
15 performing its duties imposed by the Illinois Highway Code
16 for supervising the use of motor fuel tax funds apportioned
17 to municipalities, counties and road districts;

18 (3) refunds provided for in Section 13 of this Act and
19 under the terms of the International Fuel Tax Agreement
20 referenced in Section 14a;

21 (4) from October 1, 1985 until June 30, 1994, the
22 administration of the Vehicle Emissions Inspection Law,
23 which amount shall be certified monthly by the
24 Environmental Protection Agency to the State Comptroller
25 and shall promptly be transferred by the State Comptroller
26 and Treasurer from the Motor Fuel Tax Fund to the Vehicle
27 Inspection Fund, and for the period July 1, 1994 through
28 June 30, 2000, one-twelfth of \$25,000,000 each month, for
29 the period July 1, 2000 through June 30, 2003, one-twelfth
30 of \$30,000,000 each month, and \$15,000,000 on July 1, 2003,
31 and \$15,000,000 on January 1, 2004, and \$15,000,000 on each
32 July 1 and October 1, or as soon thereafter as may be
33 practical, during ~~of each calendar year for~~ the period July
34 ~~January~~ 1, 2004 through June 30, 2006, for the
35 administration of the Vehicle Emissions Inspection Law of
36 1995, to be transferred by the State Comptroller and

1 Treasurer from the Motor Fuel Tax Fund into the Vehicle
2 Inspection Fund;

3 (5) amounts ordered paid by the Court of Claims; and

4 (6) payment of motor fuel use taxes due to member
5 jurisdictions under the terms of the International Fuel Tax
6 Agreement. The Department shall certify these amounts to
7 the Comptroller by the 15th day of each month; the
8 Comptroller shall cause orders to be drawn for such
9 amounts, and the Treasurer shall administer those amounts
10 on or before the last day of each month;

11 (e) after allocations for the purposes set forth in
12 subsections (a), (b), (c) and (d), the remaining amount shall
13 be apportioned as follows:

14 (1) Until January 1, 2000, 58.4%, and beginning January
15 1, 2000, 45.6% shall be deposited as follows:

16 (A) 37% into the State Construction Account Fund,
17 and

18 (B) 63% into the Road Fund, \$1,250,000 of which
19 shall be reserved each month for the Department of
20 Transportation to be used in accordance with the
21 provisions of Sections 6-901 through 6-906 of the
22 Illinois Highway Code;

23 (2) Until January 1, 2000, 41.6%, and beginning January
24 1, 2000, 54.4% shall be transferred to the Department of
25 Transportation to be distributed as follows:

26 (A) 49.10% to the municipalities of the State,

27 (B) 16.74% to the counties of the State having
28 1,000,000 or more inhabitants,

29 (C) 18.27% to the counties of the State having less
30 than 1,000,000 inhabitants,

31 (D) 15.89% to the road districts of the State.

32 As soon as may be after the first day of each month the
33 Department of Transportation shall allot to each municipality
34 its share of the amount apportioned to the several
35 municipalities which shall be in proportion to the population
36 of such municipalities as determined by the last preceding

1 municipal census if conducted by the Federal Government or
2 Federal census. If territory is annexed to any municipality
3 subsequent to the time of the last preceding census the
4 corporate authorities of such municipality may cause a census
5 to be taken of such annexed territory and the population so
6 ascertained for such territory shall be added to the population
7 of the municipality as determined by the last preceding census
8 for the purpose of determining the allotment for that
9 municipality. If the population of any municipality was not
10 determined by the last Federal census preceding any
11 apportionment, the apportionment to such municipality shall be
12 in accordance with any census taken by such municipality. Any
13 municipal census used in accordance with this Section shall be
14 certified to the Department of Transportation by the clerk of
15 such municipality, and the accuracy thereof shall be subject to
16 approval of the Department which may make such corrections as
17 it ascertains to be necessary.

18 As soon as may be after the first day of each month the
19 Department of Transportation shall allot to each county its
20 share of the amount apportioned to the several counties of the
21 State as herein provided. Each allotment to the several
22 counties having less than 1,000,000 inhabitants shall be in
23 proportion to the amount of motor vehicle license fees received
24 from the residents of such counties, respectively, during the
25 preceding calendar year. The Secretary of State shall, on or
26 before April 15 of each year, transmit to the Department of
27 Transportation a full and complete report showing the amount of
28 motor vehicle license fees received from the residents of each
29 county, respectively, during the preceding calendar year. The
30 Department of Transportation shall, each month, use for
31 allotment purposes the last such report received from the
32 Secretary of State.

33 As soon as may be after the first day of each month, the
34 Department of Transportation shall allot to the several
35 counties their share of the amount apportioned for the use of
36 road districts. The allotment shall be apportioned among the

1 several counties in the State in the proportion which the total
2 mileage of township or district roads in the respective
3 counties bears to the total mileage of all township and
4 district roads in the State. Funds allotted to the respective
5 counties for the use of road districts therein shall be
6 allocated to the several road districts in the county in the
7 proportion which the total mileage of such township or district
8 roads in the respective road districts bears to the total
9 mileage of all such township or district roads in the county.
10 After July 1 of any year, no allocation shall be made for any
11 road district unless it levied a tax for road and bridge
12 purposes in an amount which will require the extension of such
13 tax against the taxable property in any such road district at a
14 rate of not less than either .08% of the value thereof, based
15 upon the assessment for the year immediately prior to the year
16 in which such tax was levied and as equalized by the Department
17 of Revenue or, in DuPage County, an amount equal to or greater
18 than \$12,000 per mile of road under the jurisdiction of the
19 road district, whichever is less. If any road district has
20 levied a special tax for road purposes pursuant to Sections
21 6-601, 6-602 and 6-603 of the Illinois Highway Code, and such
22 tax was levied in an amount which would require extension at a
23 rate of not less than .08% of the value of the taxable property
24 thereof, as equalized or assessed by the Department of Revenue,
25 or, in DuPage County, an amount equal to or greater than
26 \$12,000 per mile of road under the jurisdiction of the road
27 district, whichever is less, such levy shall, however, be
28 deemed a proper compliance with this Section and shall qualify
29 such road district for an allotment under this Section. If a
30 township has transferred to the road and bridge fund money
31 which, when added to the amount of any tax levy of the road
32 district would be the equivalent of a tax levy requiring
33 extension at a rate of at least .08%, or, in DuPage County, an
34 amount equal to or greater than \$12,000 per mile of road under
35 the jurisdiction of the road district, whichever is less, such
36 transfer, together with any such tax levy, shall be deemed a

1 proper compliance with this Section and shall qualify the road
2 district for an allotment under this Section.

3 In counties in which a property tax extension limitation is
4 imposed under the Property Tax Extension Limitation Law, road
5 districts may retain their entitlement to a motor fuel tax
6 allotment if, at the time the property tax extension limitation
7 was imposed, the road district was levying a road and bridge
8 tax at a rate sufficient to entitle it to a motor fuel tax
9 allotment and continues to levy the maximum allowable amount
10 after the imposition of the property tax extension limitation.
11 Any road district may in all circumstances retain its
12 entitlement to a motor fuel tax allotment if it levied a road
13 and bridge tax in an amount that will require the extension of
14 the tax against the taxable property in the road district at a
15 rate of not less than 0.08% of the assessed value of the
16 property, based upon the assessment for the year immediately
17 preceding the year in which the tax was levied and as equalized
18 by the Department of Revenue or, in DuPage County, an amount
19 equal to or greater than \$12,000 per mile of road under the
20 jurisdiction of the road district, whichever is less.

21 As used in this Section the term "road district" means any
22 road district, including a county unit road district, provided
23 for by the Illinois Highway Code; and the term "township or
24 district road" means any road in the township and district road
25 system as defined in the Illinois Highway Code. For the
26 purposes of this Section, "road district" also includes park
27 districts, forest preserve districts and conservation
28 districts organized under Illinois law and "township or
29 district road" also includes such roads as are maintained by
30 park districts, forest preserve districts and conservation
31 districts. The Department of Transportation shall determine
32 the mileage of all township and district roads for the purposes
33 of making allotments and allocations of motor fuel tax funds
34 for use in road districts.

35 Payment of motor fuel tax moneys to municipalities and
36 counties shall be made as soon as possible after the allotment

1 is made. The treasurer of the municipality or county may invest
2 these funds until their use is required and the interest earned
3 by these investments shall be limited to the same uses as the
4 principal funds.

5 (Source: P.A. 92-16, eff. 6-28-01; 92-30, eff. 7-1-01; 93-32,
6 eff. 6-20-03.)

7 Section 10-150. The Electricity Excise Tax Law is amended
8 by changing Sections 2-9 and 2-11 as follows:

9 (35 ILCS 640/2-9)

10 Sec. 2-9. Return and payment of tax by delivering supplier.
11 Each delivering supplier who is required or authorized to
12 collect the tax imposed by this Law shall make a return to the
13 Department on or before the 15th day of each month for the
14 preceding calendar month stating the following:

15 (1) The delivering supplier's name.

16 (2) The address of the delivering supplier's principal
17 place of business and the address of the principal place of
18 business (if that is a different address) from which the
19 delivering supplier engaged in the business of delivering
20 electricity in this State.

21 (3) The total number of kilowatt-hours which the
22 supplier delivered to or for purchasers during the
23 preceding calendar month and upon the basis of which the
24 tax is imposed.

25 (4) Amount of tax, computed upon Item (3) at the rates
26 stated in Section 2-4.

27 (5) An adjustment for uncollectible amounts of tax in
28 respect of prior period kilowatt-hour deliveries,
29 determined in accordance with rules and regulations
30 promulgated by the Department.

31 (5.5) The amount of credits to which the taxpayer is
32 entitled on account of purchases made under Section 8-403.1
33 of the Public Utilities Act.

34 (6) Such other information as the Department

1 reasonably may require.

2 In making such return the delivering supplier may use any
3 reasonable method to derive reportable "kilowatt-hours" from
4 the delivering supplier's records.

5 If the average monthly tax liability to the Department of
6 the delivering supplier does not exceed \$2,500, the Department
7 may authorize the delivering supplier's returns to be filed on
8 a quarter-annual basis, with the return for January, February
9 and March of a given year being due by April 30 of such year;
10 with the return for April, May and June of a given year being
11 due by July 31 of such year; with the return for July, August
12 and September of a given year being due by October 31 of such
13 year; and with the return for October, November and December of
14 a given year being due by January 31 of the following year.

15 If the average monthly tax liability to the Department of
16 the delivering supplier does not exceed \$1,000, the Department
17 may authorize the delivering supplier's returns to be filed on
18 an annual basis, with the return for a given year being due by
19 January 31 of the following year.

20 Such quarter-annual and annual returns, as to form and
21 substance, shall be subject to the same requirements as monthly
22 returns.

23 Notwithstanding any other provision in this Law concerning
24 the time within which a delivering supplier may file a return,
25 any such delivering supplier who ceases to engage in a kind of
26 business which makes the person responsible for filing returns
27 under this Law shall file a final return under this Law with
28 the Department not more than one month after discontinuing such
29 business.

30 Each delivering supplier whose average monthly liability
31 to the Department under this Law was \$10,000 or more during the
32 preceding calendar year, excluding the month of highest
33 liability and the month of lowest liability in such calendar
34 year, and who is not operated by a unit of local government,
35 shall make estimated payments to the Department on or before
36 the 7th, 15th, 22nd and last day of the month during which tax

1 liability to the Department is incurred in an amount not less
2 than the lower of either 22.5% of such delivering supplier's
3 actual tax liability for the month or 25% of such delivering
4 supplier's actual tax liability for the same calendar month of
5 the preceding year. The amount of such quarter-monthly payments
6 shall be credited against the final tax liability of such
7 delivering supplier's return for that month. An outstanding
8 credit approved by the Department or a credit memorandum issued
9 by the Department arising from such delivering supplier's
10 overpayment of his or her final tax liability for any month may
11 be applied to reduce the amount of any subsequent
12 quarter-monthly payment or credited against the final tax
13 liability of such delivering supplier's return for any
14 subsequent month. If any quarter-monthly payment is not paid at
15 the time or in the amount required by this Section, such
16 delivering supplier shall be liable for penalty and interest on
17 the difference between the minimum amount due as a payment and
18 the amount of such payment actually and timely paid, except
19 insofar as such delivering supplier has previously made
20 payments for that month to the Department in excess of the
21 minimum payments previously due.

22 If the Director finds that the information required for the
23 making of an accurate return cannot reasonably be compiled by
24 such delivering supplier within 15 days after the close of the
25 calendar month for which a return is to be made, the Director
26 may grant an extension of time for the filing of such return
27 for a period not to exceed 31 calendar days. The granting of
28 such an extension may be conditioned upon the deposit by such
29 delivering supplier with the Department of an amount of money
30 not exceeding the amount estimated by the Director to be due
31 with the return so extended. All such deposits shall be
32 credited against such delivering supplier's liabilities under
33 this Law. If the deposit exceeds such delivering supplier's
34 present and probable future liabilities under this Law, the
35 Department shall issue to such delivering supplier a credit
36 memorandum, which may be assigned by such delivering supplier

1 to a similar person under this Law, in accordance with
2 reasonable rules and regulations to be prescribed by the
3 Department.

4 The delivering supplier making the return provided for in
5 this Section shall, at the time of making such return, pay to
6 the Department the amount of tax imposed by this Law.

7 Until October 1, 2002, a delivering supplier who has an
8 average monthly tax liability of \$10,000 or more shall make all
9 payments required by rules of the Department by electronic
10 funds transfer. The term "average monthly tax liability" shall
11 be the sum of the delivering supplier's liabilities under this
12 Law for the immediately preceding calendar year divided by 12.
13 Beginning on October 1, 2002, a taxpayer who has a tax
14 liability in the amount set forth in subsection (b) of Section
15 2505-210 of the Department of Revenue Law shall make all
16 payments required by rules of the Department by electronic
17 funds transfer. Any delivering supplier not required to make
18 payments by electronic funds transfer may make payments by
19 electronic funds transfer with the permission of the
20 Department. All delivering suppliers required to make payments
21 by electronic funds transfer and any delivering suppliers
22 authorized to voluntarily make payments by electronic funds
23 transfer shall make those payments in the manner authorized by
24 the Department.

25 Through June 30, 2004, each ~~Each~~ month the Department shall
26 pay into the Public Utility Fund in the State treasury an
27 amount determined by the Director to be equal to 3.0% of the
28 funds received by the Department pursuant to this Section.
29 Through June 30, 2004, the ~~The~~ remainder of all moneys received
30 by the Department under this Section shall be paid into the
31 General Revenue Fund in the State treasury. Beginning on July
32 1, 2004, of the 3% of the funds received pursuant to this
33 Section, each month the Department shall pay \$416,667 into the
34 General Revenue Fund and the balance shall be paid into the
35 Public Utility Fund in the State treasury.

36 (Source: P.A. 92-492, eff. 1-1-02.)

1 (35 ILCS 640/2-11)

2 Sec. 2-11. Direct return and payment by self-assessing
3 purchaser. When electricity is used or consumed by a
4 self-assessing purchaser subject to the tax imposed by this Law
5 who did not pay the tax to a delivering supplier maintaining a
6 place of business within this State and required or authorized
7 to collect the tax, that self-assessing purchaser shall, on or
8 before the 15th day of each month, make a return to the
9 Department for the preceding calendar month, stating all of the
10 following:

11 (1) The self-assessing purchaser's name and principal
12 address.

13 (2) The aggregate purchase price paid by the
14 self-assessing purchaser for the distribution, supply,
15 furnishing, sale, transmission and delivery of such
16 electricity to or for the purchaser during the preceding
17 calendar month, including budget plan and other
18 purchaser-owned amounts applied during such month in
19 payment of charges includible in the purchase price, and
20 upon the basis of which the tax is imposed.

21 (3) Amount of tax, computed upon item (2) at the rate
22 stated in Section 2-4.

23 (4) Such other information as the Department
24 reasonably may require.

25 In making such return the self-assessing purchaser may use
26 any reasonable method to derive reportable "purchase price"
27 from the self-assessing purchaser's records.

28 If the average monthly tax liability of the self-assessing
29 purchaser to the Department does not exceed \$2,500, the
30 Department may authorize the self-assessing purchaser's
31 returns to be filed on a quarter-annual basis, with the return
32 for January, February and March of a given year being due by
33 April 30 of such year; with the return for April, May and June
34 of a given year being due by July 31 of such year; with the
35 return for July, August, and September of a given year being

1 due by October 31 of such year; and with the return for
2 October, November and December of a given year being due by
3 January 31 of the following year.

4 If the average monthly tax liability of the self-assessing
5 purchaser to the Department does not exceed \$1,000, the
6 Department may authorize the self-assessing purchaser's
7 returns to be filed on an annual basis, with the return for a
8 given year being due by January 31 of the following year.

9 Such quarter-annual and annual returns, as to form and
10 substance, shall be subject to the same requirements as monthly
11 returns.

12 Notwithstanding any other provision in this Law concerning
13 the time within which a self-assessing purchaser may file a
14 return, any such self-assessing purchaser who ceases to be
15 responsible for filing returns under this Law shall file a
16 final return under this Law with the Department not more than
17 one month thereafter.

18 Each self-assessing purchaser whose average monthly
19 liability to the Department pursuant to this Section was
20 \$10,000 or more during the preceding calendar year, excluding
21 the month of highest liability and the month of lowest
22 liability during such calendar year, and which is not operated
23 by a unit of local government, shall make estimated payments to
24 the Department on or before the 7th, 15th, 22nd and last day of
25 the month during which tax liability to the Department is
26 incurred in an amount not less than the lower of either 22.5%
27 of such self-assessing purchaser's actual tax liability for the
28 month or 25% of such self-assessing purchaser's actual tax
29 liability for the same calendar month of the preceding year.
30 The amount of such quarter-monthly payments shall be credited
31 against the final tax liability of the self-assessing
32 purchaser's return for that month. An outstanding credit
33 approved by the Department or a credit memorandum issued by the
34 Department arising from the self-assessing purchaser's
35 overpayment of the self-assessing purchaser's final tax
36 liability for any month may be applied to reduce the amount of

1 any subsequent quarter-monthly payment or credited against the
2 final tax liability of such self-assessing purchaser's return
3 for any subsequent month. If any quarter-monthly payment is not
4 paid at the time or in the amount required by this Section,
5 such person shall be liable for penalty and interest on the
6 difference between the minimum amount due as a payment and the
7 amount of such payment actually and timely paid, except insofar
8 as such person has previously made payments for that month to
9 the Department in excess of the minimum payments previously
10 due.

11 If the Director finds that the information required for the
12 making of an accurate return cannot reasonably be compiled by a
13 self-assessing purchaser within 15 days after the close of the
14 calendar month for which a return is to be made, the Director
15 may grant an extension of time for the filing of such return
16 for a period of not to exceed 31 calendar days. The granting of
17 such an extension may be conditioned upon the deposit by such
18 self-assessing purchaser with the Department of an amount of
19 money not exceeding the amount estimated by the Director to be
20 due with the return so extended. All such deposits shall be
21 credited against such self-assessing purchaser's liabilities
22 under this Law. If the deposit exceeds such self-assessing
23 purchaser's present and probable future liabilities under this
24 Law, the Department shall issue to such self-assessing
25 purchaser a credit memorandum, which may be assigned by such
26 self-assessing purchaser to a similar person under this Law, in
27 accordance with reasonable rules and regulations to be
28 prescribed by the Department.

29 The self-assessing purchaser making the return provided
30 for in this Section shall, at the time of making such return,
31 pay to the Department the amount of tax imposed by this Law.

32 Until October 1, 2002, a self-assessing purchaser who has
33 an average monthly tax liability of \$10,000 or more shall make
34 all payments required by rules of the Department by electronic
35 funds transfer. The term "average monthly tax liability" shall
36 be the sum of the self-assessing purchaser's liabilities under

1 this Law for the immediately preceding calendar year divided by
2 12. Beginning on October 1, 2002, a taxpayer who has a tax
3 liability in the amount set forth in subsection (b) of Section
4 2505-210 of the Department of Revenue Law shall make all
5 payments required by rules of the Department by electronic
6 funds transfer. Any self-assessing purchaser not required to
7 make payments by electronic funds transfer may make payments by
8 electronic funds transfer with the permission of the
9 Department. All self-assessing purchasers required to make
10 payments by electronic funds transfer and any self-assessing
11 purchasers authorized to voluntarily make payments by
12 electronic funds transfer shall make those payments in the
13 manner authorized by the Department.

14 Through June 30, 2004, each ~~Each~~ month the Department shall
15 pay into the Public Utility Fund in the State treasury an
16 amount determined by the Director to be equal to 3.0% of the
17 funds received by the Department pursuant to this Section.
18 Through June 30, 2004, the ~~The~~ remainder of all moneys received
19 by the Department under this Section shall be paid into the
20 General Revenue Fund in the State treasury. Beginning on July
21 1, 2004, of the 3% of the funds received pursuant to this
22 Section, each month the Department shall pay \$416,667 into the
23 General Revenue Fund and the balance shall be paid into the
24 Public Utility Fund in the State treasury.

25 (Source: P.A. 91-357, eff. 7-29-99; 92-492, eff. 1-1-02.)

26 Section 10-155. The Illinois Pension Code is amended by
27 changing Sections 14-103.05, 14-108.3, 14-135.08, 15-106,
28 15-107, and 16-133.3 and adding Section 14-132.2 as follows:

29 (40 ILCS 5/14-103.05) (from Ch. 108 1/2, par. 14-103.05)
30 Sec. 14-103.05. Employee.

31 (a) Any person employed by a Department who receives salary
32 for personal services rendered to the Department on a warrant
33 issued pursuant to a payroll voucher certified by a Department
34 and drawn by the State Comptroller upon the State Treasurer,

1 including an elected official described in subparagraph (d) of
2 Section 14-104, shall become an employee for purpose of
3 membership in the Retirement System on the first day of such
4 employment.

5 A person entering service on or after January 1, 1972 and
6 prior to January 1, 1984 shall become a member as a condition
7 of employment and shall begin making contributions as of the
8 first day of employment.

9 A person entering service on or after January 1, 1984
10 shall, upon completion of 6 months of continuous service which
11 is not interrupted by a break of more than 2 months, become a
12 member as a condition of employment. Contributions shall begin
13 the first of the month after completion of the qualifying
14 period.

15 The qualifying period of 6 months of service is not
16 applicable to: (1) a person who has been granted credit for
17 service in a position covered by the State Universities
18 Retirement System, the Teachers' Retirement System of the State
19 of Illinois, the General Assembly Retirement System, or the
20 Judges Retirement System of Illinois unless that service has
21 been forfeited under the laws of those systems; (2) a person
22 entering service on or after July 1, 1991 in a noncovered
23 position; or (3) a person to whom Section 14-108.2a or
24 14-108.2b applies.

25 (b) The term "employee" does not include the following:

26 (1) members of the State Legislature, and persons
27 electing to become members of the General Assembly
28 Retirement System pursuant to Section 2-105;

29 (2) incumbents of offices normally filled by vote of
30 the people;

31 (3) except as otherwise provided in this Section, any
32 person appointed by the Governor with the advice and
33 consent of the Senate unless that person elects to
34 participate in this system;

35 (4) except as provided in Section 14-108.2 or
36 14-108.2c, any person who is covered or eligible to be

1 covered by the Teachers' Retirement System of the State of
2 Illinois, the State Universities Retirement System, or the
3 Judges Retirement System of Illinois;

4 (5) an employee of a municipality or any other
5 political subdivision of the State;

6 (6) any person who becomes an employee after June 30,
7 1979 as a public service employment program participant
8 under the Federal Comprehensive Employment and Training
9 Act and whose wages or fringe benefits are paid in whole or
10 in part by funds provided under such Act;

11 (7) enrollees of the Illinois Young Adult Conservation
12 Corps program, administered by the Department of Natural
13 Resources, authorized grantee pursuant to Title VIII of the
14 "Comprehensive Employment and Training Act of 1973", 29 USC
15 993, as now or hereafter amended;

16 (8) enrollees and temporary staff of programs
17 administered by the Department of Natural Resources under
18 the Youth Conservation Corps Act of 1970;

19 (9) any person who is a member of any professional
20 licensing or disciplinary board created under an Act
21 administered by the Department of Professional Regulation
22 or a successor agency or created or re-created after the
23 effective date of this amendatory Act of 1997, and who
24 receives per diem compensation rather than a salary,
25 notwithstanding that such per diem compensation is paid by
26 warrant issued pursuant to a payroll voucher; such persons
27 have never been included in the membership of this System,
28 and this amendatory Act of 1987 (P.A. 84-1472) is not
29 intended to effect any change in the status of such
30 persons;

31 (10) any person who is a member of the Illinois Health
32 Care Cost Containment Council, and receives per diem
33 compensation rather than a salary, notwithstanding that
34 such per diem compensation is paid by warrant issued
35 pursuant to a payroll voucher; such persons have never been
36 included in the membership of this System, and this

1 amendatory Act of 1987 is not intended to effect any change
2 in the status of such persons; ~~or~~

3 (11) any person who is a member of the Oil and Gas
4 Board created by Section 1.2 of the Illinois Oil and Gas
5 Act, and receives per diem compensation rather than a
6 salary, notwithstanding that such per diem compensation is
7 paid by warrant issued pursuant to a payroll voucher; or-

8 (12) a person employed by the State Board of Higher
9 Education in a position with the Illinois Century Network
10 as of June 30, 2004, who remains continuously employed
11 after that date by the Department of Central Management
12 Services in a position with the Illinois Century Network
13 and participates in the Article 15 system with respect to
14 that employment.

15 (Source: P.A. 92-14, eff. 6-28-01.)

16 (40 ILCS 5/14-108.3)

17 Sec. 14-108.3. Early retirement incentives.

18 (a) To be eligible for the benefits provided in this
19 Section, a person must:

20 (1) be a member of this System who, on any day during
21 June, 2002, is (i) in active payroll status in a position
22 of employment with a department and an active contributor
23 to this System with respect to that employment, and
24 terminates that employment before the retirement annuity
25 under this Article begins, or (ii) on layoff status from
26 such a position with a right of re-employment or recall to
27 service, or (iii) receiving benefits under Section 14-123,
28 14-123.1 or 14-124, but only if the member has not been
29 receiving those benefits for a continuous period of more
30 than 2 years as of the date of application;

31 (2) not have received any retirement annuity under this
32 Article beginning earlier than August 1, 2002;

33 (3) file with the Board on or before December 31, 2002
34 a written application requesting the benefits provided in
35 this Section;

1 (4) terminate employment under this Article no later
2 than December 31, 2002 (or the date established under
3 subsection (d), if applicable);

4 (5) by the date of termination of service, have at
5 least 8 years of creditable service under this Article,
6 without the use of any creditable service established under
7 this Section;

8 (6) by the date of termination of service, have at
9 least 5 years of membership service earned while an
10 employee under this Article, which may include military
11 service for which credit is established under Section
12 14-105(b), service during the qualifying period for which
13 credit is established under Section 14-104(a), and service
14 for which credit has been established by repaying a refund
15 under Section 14-130, but shall not include service for
16 which any other optional service credit has been
17 established; and

18 (7) not receive any early retirement benefit under
19 Section 16-133.3 of this Code.

20 (b) An eligible person may establish up to 5 years of
21 creditable service under this Article, in increments of one
22 month, by making the contributions specified in subsection (c).
23 In addition, for each month of creditable service established
24 under this Section, a person's age at retirement shall be
25 deemed to be one month older than it actually is.

26 The creditable service established under this Section may
27 be used for all purposes under this Article and the Retirement
28 Systems Reciprocal Act, except for the computation of final
29 average compensation under Section 14-103.12 or the
30 determination of compensation under this or any other Article
31 of this Code.

32 The age enhancement established under this Section may not
33 be used to enable any person to begin receiving a retirement
34 annuity calculated under Section 14-110 before actually
35 attaining age 50 (without any age enhancement under this
36 Section). The age enhancement established under this Section

1 may be used for all other purposes under this Article
2 (including calculation of a proportionate annuity payable by
3 this System under the Retirement Systems Reciprocal Act),
4 except for purposes of the level income option in Section
5 14-112, the reversionary annuity under Section 14-113, and the
6 required distributions under Section 14-121.1.

7 The age enhancement established under this Section may be
8 used in determining benefits payable under Article 16 of this
9 Code under the Retirement Systems Reciprocal Act, if the person
10 has at least 5 years of service credit in the Article 16 system
11 that was earned while participating in that system as a teacher
12 (as defined in Section 16-106) employed by a department (as
13 defined in Section 14-103.04). Age enhancement established
14 under this Section shall not otherwise be used in determining
15 benefits payable under other Articles of this Code under the
16 Retirement Systems Reciprocal Act.

17 (c) For all creditable service established under this
18 Section, a person must pay to the System an employee
19 contribution to be determined by the System, based on the
20 member's rate of compensation on June 1, 2002 (or the last date
21 before June 1, 2002 for which a rate can be determined) and the
22 retirement contribution rate in effect on June 1, 2002 for the
23 member (or for members with the same social security and
24 alternative formula status as the member).

25 If the member receives a lump sum payment for accumulated
26 vacation, sick leave and personal leave upon withdrawal from
27 service, and the net amount of that lump sum payment is at
28 least as great as the amount of the contribution required under
29 this Section, the entire contribution must be paid by the
30 employee by payroll deduction. If there is no such lump sum
31 payment, or if it is less than the contribution required under
32 this Section, the member shall make an initial payment by
33 payroll deduction, equal to the net amount of the lump sum
34 payment for accumulated vacation, sick leave, and personal
35 leave, and have the remaining amount due treated as a reduction
36 from the retirement annuity in 24 equal monthly installments

1 beginning in the month in which the retirement annuity takes
2 effect. The required contribution may be paid as a pre-tax
3 deduction from earnings. For federal and Illinois tax purposes,
4 the monthly amount by which the annuitant's benefit is reduced
5 shall not be treated as a contribution by the annuitant, but
6 rather as a reduction of the annuitant's monthly benefit.

7 (c-5) The reduction in retirement annuity provided in
8 subsection (c) of Section 14-108 does not apply to the annuity
9 of a person who retires under this Section. A person who has
10 received any age enhancement or creditable service under this
11 Section may begin to receive an unreduced retirement annuity
12 upon attainment of age 55 with at least 25 years of creditable
13 service (including any age enhancement and creditable service
14 established under this Section).

15 (d) In order to ensure that the efficient operation of
16 State government is not jeopardized by the simultaneous
17 retirement of large numbers of key personnel, the director or
18 other head of a department may, for key employees of that
19 department, extend the December 31, 2002 deadline for
20 terminating employment under this Article established in
21 subdivision (a)(4) of this Section to a date not later than
22 April 30, 2003 by so notifying the System in writing by
23 December 31, 2002.

24 (e) Notwithstanding Section 14-111, a person who has
25 received any age enhancement or creditable service under this
26 Section and who reenters service under this Article (or as an
27 employee of a department under Article 16) other than as a
28 temporary employee thereby forfeits that age enhancement and
29 creditable service and is entitled to a refund of the
30 contributions made pursuant to this Section.

31 (f) The System shall determine the amount of the increase
32 in the present value of future benefits ~~unfunded accrued~~
33 ~~liability~~ resulting from the granting of early retirement
34 incentives under this Section and shall report that amount to
35 the Governor and the ~~Pension Laws Commission (or its successor,~~
36 ~~the Economic and Fiscal Commission)~~ on or after the effective

1 date of this amendatory Act of the 93rd General Assembly and on
2 or before November 15, ~~2004~~ 2003. The increase ~~in liability~~
3 reported under this subsection (f) shall not be included in the
4 calculation of the required State contribution under Section
5 14-131.

6 (g) ~~The System shall determine the amount of the annual~~
7 ~~State contribution necessary to amortize on a level~~
8 ~~dollar payment basis, over a period of 10 years at 8.5%~~
9 ~~interest, compounded annually, an amount equal to the increase~~
10 ~~in unfunded accrued liability determined under subsection (f)~~
11 ~~minus \$70,000,000. The System shall certify the amount of this~~
12 ~~annual State contribution to the Governor, the State~~
13 ~~Comptroller, the Governor's Office of Management and Budget~~
14 ~~(formerly Bureau of the Budget), and the Pension Laws~~
15 ~~Commission (or its successor, the Economic and Fiscal~~
16 ~~Commission) on or before November 15, 2003.~~ In addition to the
17 contributions otherwise required under this Article, the State
18 shall appropriate and pay to the System (1) an amount equal to
19 \$70,000,000 in State fiscal years year 2004 and 2005 and (2) in
20 each of State fiscal years 2006 through 2015, a level
21 dollar-payment based upon the increase in the present value of
22 future benefits provided by the early retirement incentives
23 provided under this Section amortized at 8.5% interest 2005
24 through 2013, an amount equal to the annual State contribution
25 certified by the System under this subsection (g).

26 (h) The Economic and Fiscal Commission (i) shall hold one
27 or more hearings on or before the last session day during the
28 fall veto session of 2004 to review recommendations relating to
29 funding of early retirement incentives under this Section and
30 (ii) shall file its report with the General Assembly on or
31 before December 31, 2004 making its recommendations relating to
32 funding of early retirement incentives under this Section; the
33 Commission's report may contain both majority recommendations
34 and minority recommendations. The System shall recalculate and
35 recertify to the Governor by January 31, 2005 the amount of the
36 required State contribution to the System for State fiscal year

1 2005 with respect to those incentives. The Pension Laws
2 Commission (or its successor, the Economic and Fiscal
3 Commission) shall determine and report to the General Assembly,
4 on or before January 1, 2004 and annually thereafter through
5 the year 2013, its estimate of (1) the annual amount of payroll
6 savings likely to be realized by the State as a result of the
7 early retirement of persons receiving early retirement
8 incentives under this Section and (2) the net annual savings or
9 cost to the State from the program of early retirement
10 incentives created under this Section.

11 The System, the Department of Central Management Services,
12 the Governor's Office of Management and Budget (formerly Bureau
13 of the Budget), and all other departments shall provide to the
14 Commission any assistance that the Commission may request with
15 respect to its reports under this Section. The Commission may
16 require departments to provide it with any information that it
17 deems necessary or useful with respect to its reports under
18 this Section, including without limitation information about
19 (1) the final earnings of former department employees who
20 elected to receive benefits under this Section, (2) the
21 earnings of current department employees holding the positions
22 vacated by persons who elected to receive benefits under this
23 Section, and (3) positions vacated by persons who elected to
24 receive benefits under this Section that have not yet been
25 refilled.

26 (i) The changes made to this Section by this amendatory Act
27 of the 92nd General Assembly do not apply to persons who
28 retired under this Section on or before May 1, 1992.

29 (Source: P.A. 92-566, eff. 6-25-02; 93-632, eff. 2-1-04.)

30 (40 ILCS 5/14-132.2 new)

31 Sec. 14-132.2. Payment into the General Obligation
32 Retirement and Interest Fund. Notwithstanding any other law, on
33 the first day of each month, or as soon thereafter as
34 practical, the System shall pay over to the State for deposit
35 into the General Obligation Retirement and Interest Fund all

1 amounts previously received by the System pursuant to Section
2 14-135.08(b) representing additional amounts to pay principal
3 of and interest on general obligation bonds authorized by
4 Section 7.2(a) of the General Obligation Bond Act and issued to
5 provide those proceeds deposited by the State with the System
6 in July 2003, representing deposits other than amounts reserved
7 under Section 7.2 of the General Obligation Bond Act.

8 (40 ILCS 5/14-135.08) (from Ch. 108 1/2, par. 14-135.08)

9 Sec. 14-135.08. To certify required State contributions.

10 (a) To certify to the Governor and to each department, on
11 or before November 15 of each year, the required rate for State
12 contributions to the System for the next State fiscal year, as
13 determined under subsection (b) of Section 14-131. The
14 certification to the Governor shall include a copy of the
15 actuarial recommendations upon which the rate is based.

16 (b) The certification shall include an additional amount
17 necessary to pay all principal of and interest on those general
18 obligation bonds due the next fiscal year authorized by Section
19 7.2(a) of the General Obligation Bond Act and issued to provide
20 the proceeds deposited by the State with the System in July
21 2003, representing deposits other than amounts reserved under
22 Section 7.2(c) of the General Obligation Bond Act. For State
23 fiscal year 2005, the Board shall make a supplemental
24 certification of the additional amount necessary to pay all
25 principal of and interest on those general obligation bonds due
26 in State fiscal years 2004 and 2005 authorized by Section
27 7.2(a) of the General Obligation Bond Act and issued to provide
28 the proceeds deposited by the State with the System in July
29 2003, representing deposits other than amounts reserved under
30 Section 7.2(c) of the General Obligation Bond Act, as soon as
31 practical after the effective date of this amendatory Act of
32 the 93rd General Assembly.

33 On or before May 1, 2004, the Board shall recalculate and
34 recertify to the Governor and to each department the amount of
35 the required State contribution to the System and the required

1 rates for State contributions to the System for State fiscal
2 year 2005, taking into account the amounts appropriated to and
3 received by the System under subsection (d) of Section 7.2 of
4 the General Obligation Bond Act.

5 (Source: P.A. 93-2, eff. 4-7-03.)

6 (40 ILCS 5/15-106) (from Ch. 108 1/2, par. 15-106)

7 Sec. 15-106. Employer. "Employer": The University of
8 Illinois, Southern Illinois University, Chicago State
9 University, Eastern Illinois University, Governors State
10 University, Illinois State University, Northeastern Illinois
11 University, Northern Illinois University, Western Illinois
12 University, the State Board of Higher Education, the Illinois
13 Mathematics and Science Academy, the State Geological Survey
14 Division of the Department of Natural Resources, the State
15 Natural History Survey Division of the Department of Natural
16 Resources, the State Water Survey Division of the Department of
17 Natural Resources, the Waste Management and Research Center of
18 the Department of Natural Resources, the University Civil
19 Service Merit Board, the Board of Trustees of the State
20 Universities Retirement System, the Illinois Community College
21 Board, community college boards, any association of community
22 college boards organized under Section 3-55 of the Public
23 Community College Act, the Board of Examiners established under
24 the Illinois Public Accounting Act, and, only during the period
25 for which employer contributions required under Section 15-155
26 are paid, the following organizations: the alumni
27 associations, the foundations and the athletic associations
28 which are affiliated with the universities and colleges
29 included in this Section as employers.

30 A department as defined in Section 14-103.04 is an employer
31 for any person appointed by the Governor under the Civil
32 Administrative Code of Illinois who is a participating employee
33 as defined in Section 15-109. The Department of Central
34 Management Services is an employer with respect to persons
35 employed by the State Board of Higher Education in positions

1 with the Illinois Century Network as of June 30, 2004 who
2 remain continuously employed after that date by the Department
3 of Central Management Services in positions with the Illinois
4 Century Network.

5 The cities of Champaign and Urbana shall be considered
6 employers, but only during the period for which contributions
7 are required to be made under subsection (b-1) of Section
8 15-155 and only with respect to individuals described in
9 subsection (h) of Section 15-107.

10 (Source: P.A. 89-4, eff. 1-1-96; 89-445, eff. 2-7-96; 90-490,
11 eff. 8-17-97; 90-511, eff. 8-22-97; 90-576, eff. 3-31-98;
12 90-655, eff. 7-30-98.)

13 (40 ILCS 5/15-107) (from Ch. 108 1/2, par. 15-107)

14 Sec. 15-107. Employee.

15 (a) "Employee" means any member of the educational,
16 administrative, secretarial, clerical, mechanical, labor or
17 other staff of an employer whose employment is permanent and
18 continuous or who is employed in a position in which services
19 are expected to be rendered on a continuous basis for at least
20 4 months or one academic term, whichever is less, who (A)
21 receives payment for personal services on a warrant issued
22 pursuant to a payroll voucher certified by an employer and
23 drawn by the State Comptroller upon the State Treasurer or by
24 an employer upon trust, federal or other funds, or (B) is on a
25 leave of absence without pay. Employment which is irregular,
26 intermittent or temporary shall not be considered continuous
27 for purposes of this paragraph.

28 However, a person is not an "employee" if he or she:

29 (1) is a student enrolled in and regularly attending
30 classes in a college or university which is an employer,
31 and is employed on a temporary basis at less than full
32 time;

33 (2) is currently receiving a retirement annuity or a
34 disability retirement annuity under Section 15-153.2 from
35 this System;

1 (3) is on a military leave of absence;

2 (4) is eligible to participate in the Federal Civil
3 Service Retirement System and is currently making
4 contributions to that system based upon earnings paid by an
5 employer;

6 (5) is on leave of absence without pay for more than 60
7 days immediately following termination of disability
8 benefits under this Article;

9 (6) is hired after June 30, 1979 as a public service
10 employment program participant under the Federal
11 Comprehensive Employment and Training Act and receives
12 earnings in whole or in part from funds provided under that
13 Act; or

14 (7) is employed on or after July 1, 1991 to perform
15 services that are excluded by subdivision (a)(7)(f) or
16 (a)(19) of Section 210 of the federal Social Security Act
17 from the definition of employment given in that Section (42
18 U.S.C. 410).

19 (b) Any employer may, by filing a written notice with the
20 board, exclude from the definition of "employee" all persons
21 employed pursuant to a federally funded contract entered into
22 after July 1, 1982 with a federal military department in a
23 program providing training in military courses to federal
24 military personnel on a military site owned by the United
25 States Government, if this exclusion is not prohibited by the
26 federally funded contract or federal laws or rules governing
27 the administration of the contract.

28 (c) Any person appointed by the Governor under the Civil
29 Administrative Code of the State is an employee, if he or she
30 is a participant in this system on the effective date of the
31 appointment.

32 (d) A participant on lay-off status under civil service
33 rules is considered an employee for not more than 120 days from
34 the date of the lay-off.

35 (e) A participant is considered an employee during (1) the
36 first 60 days of disability leave, (2) the period, not to

1 exceed one year, in which his or her eligibility for disability
2 benefits is being considered by the board or reviewed by the
3 courts, and (3) the period he or she receives disability
4 benefits under the provisions of Section 15-152, workers'
5 compensation or occupational disease benefits, or disability
6 income under an insurance contract financed wholly or partially
7 by the employer.

8 (f) Absences without pay, other than formal leaves of
9 absence, of less than 30 calendar days, are not considered as
10 an interruption of a person's status as an employee. If such
11 absences during any period of 12 months exceed 30 work days,
12 the employee status of the person is considered as interrupted
13 as of the 31st work day.

14 (g) A staff member whose employment contract requires
15 services during an academic term is to be considered an
16 employee during the summer and other vacation periods, unless
17 he or she declines an employment contract for the succeeding
18 academic term or his or her employment status is otherwise
19 terminated, and he or she receives no earnings during these
20 periods.

21 (h) An individual who was a participating employee employed
22 in the fire department of the University of Illinois's
23 Champaign-Urbana campus immediately prior to the elimination
24 of that fire department and who immediately after the
25 elimination of that fire department became employed by the fire
26 department of the City of Urbana or the City of Champaign shall
27 continue to be considered as an employee for purposes of this
28 Article for so long as the individual remains employed as a
29 firefighter by the City of Urbana or the City of Champaign. The
30 individual shall cease to be considered an employee under this
31 subsection (h) upon the first termination of the individual's
32 employment as a firefighter by the City of Urbana or the City
33 of Champaign.

34 (i) An individual who is employed on a full-time basis as
35 an officer or employee of a statewide teacher organization that
36 serves System participants or an officer of a national teacher

1 organization that serves System participants may participate
2 in the System and shall be deemed an employee, provided that
3 (1) the individual has previously earned creditable service
4 under this Article, (2) the individual files with the System an
5 irrevocable election to become a participant, and (3) the
6 individual does not receive credit for that employment under
7 any other Article of this Code. An employee under this
8 subsection (i) is responsible for paying to the System both (A)
9 employee contributions based on the actual compensation
10 received for service with the teacher organization and (B)
11 employer contributions equal to the normal costs (as defined in
12 Section 15-155) resulting from that service; all or any part of
13 these contributions may be paid on the employee's behalf or
14 picked up for tax purposes (if authorized under federal law) by
15 the teacher organization.

16 A person who is an employee as defined in this subsection
17 (i) may establish service credit for similar employment prior
18 to becoming an employee under this subsection by paying to the
19 System for that employment the contributions specified in this
20 subsection, plus interest at the effective rate from the date
21 of service to the date of payment. However, credit shall not be
22 granted under this subsection for any such prior employment for
23 which the applicant received credit under any other provision
24 of this Code, or during which the applicant was on a leave of
25 absence under Section 15-113.2.

26 (j) A person employed by the State Board of Higher
27 Education in a position with the Illinois Century Network as of
28 June 30, 2004 shall be considered to be an employee for so long
29 as he or she remains continuously employed after that date by
30 the Department of Central Management Services in a position
31 with the Illinois Century Network and meets the requirements of
32 subsection (a).

33 (Source: P.A. 93-347, eff. 7-24-03.)

34 (40 ILCS 5/16-133.3) (from Ch. 108 1/2, par. 16-133.3)

35 Sec. 16-133.3. Early retirement incentives for State

1 employees.

2 (a) To be eligible for the benefits provided in this
3 Section, a person must:

4 (1) be a member of this System who, on any day during
5 June, 2002, is (i) in active payroll status as a full-time
6 teacher employed by a department and an active contributor
7 to this System with respect to that employment, or (ii) on
8 layoff status from such a position with a right of
9 re-employment or recall to service, or (iii) receiving a
10 disability benefit under Section 16-149 or 16-149.1, but
11 only if the member has not been receiving that benefit for
12 a continuous period of more than 2 years as of the date of
13 application;

14 (2) not have received any retirement annuity under this
15 Article beginning earlier than August 1, 2002;

16 (3) file with the Board on or before December 31, 2002
17 a written application requesting the benefits provided in
18 this Section;

19 (4) terminate employment under this Article no later
20 than December 31, 2002 (or the date established under
21 subsection (d), if applicable);

22 (5) by the date of termination of service, have at
23 least 8 years of creditable service under this Article,
24 without the use of any creditable service established under
25 this Section;

26 (6) by the date of termination of service, have at
27 least 5 years of service credit earned while participating
28 in the System as a teacher employed by a department; and

29 (7) not receive any early retirement benefit under
30 Section 14-108.3 of this Code.

31 For the purposes of this Section, "department" means a
32 department as defined in Section 14-103.04 that employs a
33 teacher as defined in this Article.

34 (b) An eligible person may establish up to 5 years of
35 creditable service under this Article by making the
36 contributions specified in subsection (c). In addition, for

1 each period of creditable service established under this
2 Section, a person's age at retirement shall be deemed to be
3 enhanced by an equivalent period.

4 The creditable service established under this Section may
5 be used for all purposes under this Article and the Retirement
6 Systems Reciprocal Act, except for the computation of final
7 average salary, the determination of salary or compensation
8 under this Article or any other Article of this Code, or the
9 determination of eligibility for or the computation of benefits
10 under Section 16-133.2.

11 The age enhancement established under this Section may be
12 used for all purposes under this Article (including calculation
13 of a proportionate annuity payable by this System under the
14 Retirement Systems Reciprocal Act), except for purposes of a
15 retirement annuity under Section 16-133(a)(A), a reversionary
16 annuity under Section 16-136, the required distributions under
17 Section 16-142.3, and the determination of eligibility for or
18 the computation of benefits under Section 16-133.2. Age
19 enhancement established under this Section may be used in
20 determining benefits payable under Article 14 of this Code
21 under the Retirement Systems Reciprocal Act (subject to the
22 limitations on the use of age enhancement provided in Section
23 14-108.3); age enhancement established under this Section
24 shall not be used in determining benefits payable under other
25 Articles of this Code under the Retirement Systems Reciprocal
26 Act.

27 (c) For all creditable service established under this
28 Section, a person must pay to the System an employee
29 contribution to be determined by the System, equal to 9.0% of
30 the member's highest annual salary rate that would be used in
31 the determination of the average salary for retirement annuity
32 purposes if the member retired immediately after withdrawal,
33 for each year of creditable service established under this
34 Section.

35 If the member receives a lump sum payment for accumulated
36 vacation, sick leave, and personal leave upon withdrawal from

1 service, and the net amount of that lump sum payment is at
2 least as great as the amount of the contribution required under
3 this Section, the entire contribution must be paid by the
4 employee by payroll deduction. If there is no such lump sum
5 payment, or if it is less than the contribution required under
6 this Section, the member shall make an initial payment by
7 payroll deduction, equal to the net amount of the lump sum
8 payment for accumulated vacation, sick leave, and personal
9 leave, and have the remaining amount due treated as a reduction
10 from the retirement annuity in 24 equal monthly installments
11 beginning in the month in which the retirement annuity takes
12 effect. The required contribution may be paid as a pre-tax
13 deduction from earnings.

14 (d) In order to ensure that the efficient operation of
15 State government is not jeopardized by the simultaneous
16 retirement of large numbers of key personnel, the director or
17 other head of a department may, for key employees of that
18 department, extend the December 31, 2002 deadline for
19 terminating employment under this Article established in
20 subdivision (a)(4) of this Section to a date not later than
21 April 30, 2003 by so notifying the System in writing by
22 December 31, 2002.

23 (e) A person who has received any age enhancement or
24 creditable service under this Section and who reenters
25 contributing service under this Article or Article 14 shall
26 thereby forfeit that age enhancement and creditable service,
27 and become entitled to a refund of the contributions made
28 pursuant to this Section.

29 (f) The System shall determine the amount of the increase
30 in the present value of future benefits ~~unfunded accrued~~
31 ~~liability~~ resulting from the granting of early retirement
32 incentives under this Section and shall report that amount to
33 the Governor and the ~~Pension Laws Commission (or its successor,~~
34 ~~the Economic and Fiscal Commission)~~ on or after the effective
35 date of this amendatory Act of the 93rd General Assembly and on
36 or before November 15, 2004 ~~2003~~. The increase in liability

1 reported under this subsection (f) shall not be included in the
2 calculation of the required State contribution under Section
3 16-158.

4 ~~(g) The System shall determine the amount of the annual~~
5 ~~State contribution necessary to amortize on a level~~
6 ~~dollar payment basis, over a period of 10 years at 8.5%~~
7 ~~interest, compounded annually, an amount equal to the increase~~
8 ~~in unfunded accrued liability determined under subsection (f)~~
9 ~~minus \$1,000,000. The System shall certify the amount of this~~
10 ~~annual State contribution to the Governor, the State~~
11 ~~Comptroller, the Governor's Office of Management and Budget~~
12 ~~(formerly Bureau of the Budget), and the Pension Laws~~
13 ~~Commission (or its successor, the Economic and Fiscal~~
14 ~~Commission) on or before November 15, 2003. In addition to the~~
15 contributions otherwise required under this Article, the State
16 shall appropriate and pay to the System (1) an amount equal to
17 \$1,000,000 in State fiscal year 2004 and (2) in each of State
18 fiscal years 2006 through 2015, a level dollar-payment based
19 upon the increase in the present value of future benefits
20 provided by the early retirement incentives provided under this
21 Section amortized at 8.5% interest 2005 through 2013, an amount
22 equal to the annual State contribution certified by the System
23 under this subsection (g).

24 (h) The Pension Laws Commission (or its successor, the
25 Economic and Fiscal Commission) shall determine and report to
26 the General Assembly, on or before January 1, 2004 and annually
27 thereafter through the year 2013, its estimate of (1) the
28 annual amount of payroll savings likely to be realized by the
29 State as a result of the early retirement of persons receiving
30 early retirement incentives under this Section and (2) the net
31 annual savings or cost to the State from the program of early
32 retirement incentives created under this Section.

33 The System, the Department of Central Management Services,
34 the Governor's Office of Management and Budget (formerly Bureau
35 of the Budget), and all other departments shall provide to the
36 Commission any assistance that the Commission may request with

1 respect to its reports under this Section. The Commission may
2 require departments to provide it with any information that it
3 deems necessary or useful with respect to its reports under
4 this Section, including without limitation information about
5 (1) the final earnings of former department employees who
6 elected to receive benefits under this Section, (2) the
7 earnings of current department employees holding the positions
8 vacated by persons who elected to receive benefits under this
9 Section, and (3) positions vacated by persons who elected to
10 receive benefits under this Section that have not yet been
11 refilled.

12 (i) The changes made to this Section by this amendatory Act
13 of the 92nd General Assembly do not apply to persons who
14 retired under this Section on or before May 1, 1992.

15 (Source: P.A. 92-566, eff. 6-25-02; 93-632, eff. 2-1-04.)

16 Section 10-159. The State Pension Funds Continuing
17 Appropriation Act is amended by changing Section 1.6 as
18 follows:

19 (40 ILCS 15/1.6)

20 Sec. 1.6. Appropriations for early retirement programs.

21 (a) There is hereby appropriated from the General Revenue
22 Fund to the State Employees' Retirement System of Illinois, on
23 a continuing annual basis in each of State fiscal years 2004
24 through 2015 ~~2013~~, the amount, if any, by which the total
25 available amount of all other appropriations to that retirement
26 system for the payment of State contributions under subsection
27 (g) of Section 14-108.3 of the Illinois Pension Code in that
28 fiscal year is less than the total amount of State
29 contributions required for that fiscal year under that
30 subsection (g).

31 (b) There is hereby appropriated from the General Revenue
32 Fund to the Teachers' Retirement System of the State of
33 Illinois, on a continuing annual basis in each of State fiscal
34 years 2004 through 2015 ~~2013~~, the amount, if any, by which the

1 total available amount of all other appropriations to that
2 retirement system for the payment of State contributions under
3 subsection (g) of Section 16-133.3 of the Illinois Pension Code
4 in that fiscal year is less than the total amount of State
5 contributions required for that fiscal year under that
6 subsection (g).

7 (Source: P.A. 92-566, eff. 6-25-02.)

8 Section 10-160. The Wireless Emergency Telephone Safety
9 Act is amended by changing Sections 17, 25, 30, 35, 40, and 50
10 and by adding Section 75 as follows:

11 (50 ILCS 751/17)

12 (Section scheduled to be repealed on April 1, 2008)

13 Sec. 17. Wireless carrier surcharge.

14 (a) Except as provided in Section 45, each wireless carrier
15 shall impose a monthly wireless carrier surcharge per CMRS
16 connection that either has a telephone number within an area
17 code assigned to Illinois by the North American Numbering Plan
18 Administrator or has a billing address in this State. In the
19 case of prepaid wireless telephone service, this surcharge
20 shall be remitted based upon the address associated with the
21 point of purchase, the customer billing address, or the
22 location associated with the MTN for each active prepaid
23 wireless telephone that has a sufficient positive balance as of
24 the last day of each month, if that information is available.
25 No wireless carrier shall impose the surcharge authorized by
26 this Section upon any subscriber who is subject to the
27 surcharge imposed by a unit of local government pursuant to
28 Section 45. The wireless carrier that provides wireless service
29 to the subscriber shall collect the surcharge set by the
30 Wireless Enhanced 9-1-1 Board from the subscriber. For mobile
31 telecommunications services provided on and after August 1,
32 2002, any surcharge imposed under this Act shall be imposed
33 based upon the municipality or county that encompasses the
34 customer's place of primary use as defined in the Mobile

1 Telecommunications Sourcing Conformity Act. The surcharge
2 shall be stated as a separate item on the subscriber's monthly
3 bill. The wireless carrier shall begin collecting the surcharge
4 on bills issued within 90 days after the Wireless Enhanced
5 9-1-1 Board sets the monthly wireless surcharge. State and
6 local taxes shall not apply to the wireless carrier surcharge.

7 (b) Except as provided in Section 45, a wireless carrier
8 shall, within 45 days of collection, remit, either by check or
9 by electronic funds transfer, to the State Treasurer the amount
10 of the wireless carrier surcharge collected from each
11 subscriber. Of the amounts remitted under this subsection, the
12 State Treasurer shall deposit one-third into the Wireless
13 Carrier Reimbursement Fund and two-thirds into the Wireless
14 Service Emergency Fund.

15 (c) The first such remittance by wireless carriers shall
16 include the number of customers by zip code, and the 9-digit
17 zip code if currently being used or later implemented by the
18 carrier, that shall be the means by which the Illinois Commerce
19 Commission ~~Department of Central Management Services~~ shall
20 determine distributions from the Wireless Service Emergency
21 Fund. This information shall be updated no less often than
22 every year. Wireless carriers are not required to remit
23 surcharge moneys that are billed to subscribers but not yet
24 collected.

25 (Source: P.A. 92-526, eff. 7-1-02; 93-507, eff. 1-1-04.)

26 (50 ILCS 751/25)

27 (Section scheduled to be repealed on April 1, 2008)

28 Sec. 25. Wireless Service Emergency Fund; distribution of
29 moneys. Within 60 days after the effective date of this Act,
30 wireless carriers shall submit to the Illinois Commerce
31 Commission ~~Department of Central Management Services~~ the
32 number of wireless subscribers by zip code and the 9-digit zip
33 code of the wireless subscribers, if currently being used or
34 later implemented by the carrier.

35 The Illinois Commerce Commission ~~Department of Central~~

1 ~~Management Services~~ shall, subject to appropriation, make
2 monthly proportional grants to the appropriate emergency
3 telephone system board or qualified governmental entity based
4 upon the United States Postal Zip Code of the wireless
5 subscriber's billing address. No matching funds shall be
6 required from grant recipients.

7 If the Illinois Commerce Commission ~~Department of Central~~
8 ~~Management Services~~ is notified of an area of overlapping
9 jurisdiction, grants for that area shall be made based upon
10 reference to an official Master Street Address Guide to the
11 emergency telephone system board or qualified governmental
12 entity whose public service answering points provide wireless
13 9-1-1 service in that area. The emergency telephone system
14 board or qualified governmental entity shall provide the
15 Illinois Commerce Commission ~~Department of Central Management~~
16 ~~Services~~ with a valid copy of the appropriate Master Street
17 Address Guide. The Illinois Commerce Commission ~~Department of~~
18 ~~Central Management Services~~ does not have a duty to verify
19 jurisdictional responsibility.

20 In the event of a subscriber billing address being matched
21 to an incorrect jurisdiction by the Illinois Commerce
22 Commission ~~Department of Central Management Services~~, the
23 recipient, upon notification from the Illinois Commerce
24 Commission ~~Department of Central Management Services~~, shall
25 redirect the funds to the correct jurisdiction. The Illinois
26 Commerce Commission ~~Department of Central Management Services~~
27 shall not be held liable for any damages relating to an act or
28 omission under this Act, unless the act or omission constitutes
29 gross negligence, recklessness, or intentional misconduct.

30 In the event of a dispute between emergency telephone
31 system boards or qualified governmental entities concerning a
32 subscriber billing address, the Illinois Commerce Commission
33 ~~Department of Central Management Services~~ shall resolve the
34 dispute.

35 The Illinois Commerce Commission ~~Department of Central~~
36 ~~Management Services~~ shall maintain detailed records of all

1 receipts and disbursements and shall provide an annual
2 accounting of all receipts and disbursements to the Auditor
3 General.

4 The Illinois Commerce Commission ~~Department of Central~~
5 ~~Management Services~~ shall adopt rules to govern the grant
6 process.

7 (Source: P.A. 91-660, eff. 12-22-99.)

8 (50 ILCS 751/30)

9 (Section scheduled to be repealed on April 1, 2008)

10 Sec. 30. Wireless Carrier Reimbursement Fund; uses. The
11 Wireless Carrier Reimbursement Fund is created as a special
12 fund in the State treasury. Moneys in the Wireless Carrier
13 Reimbursement Fund may be used, subject to appropriation, only
14 (i) to reimburse wireless carriers for all of their costs
15 incurred in complying with the applicable provisions of Federal
16 Communications Commission wireless enhanced 9-1-1 service
17 mandates and (ii) to pay the reasonable and necessary costs of
18 the Illinois Commerce Commission in exercising its rights,
19 duties, powers, and functions under this Act. This
20 reimbursement to wireless carriers may include, but need not be
21 limited to, the cost of designing, upgrading, purchasing,
22 leasing, programming, installing, testing, and maintaining
23 necessary data, hardware, and software and associated
24 operating and administrative costs and overhead.

25 (Source: P.A. 91-660, eff. 12-22-99.)

26 (50 ILCS 751/35)

27 (Section scheduled to be repealed on April 1, 2008)

28 Sec. 35. Wireless Carrier Reimbursement Fund;
29 reimbursement. To recover costs from the Wireless Carrier
30 Reimbursement Fund, the wireless carrier shall submit sworn
31 invoices to the Illinois Commerce Commission ~~Department of~~
32 ~~Central Management Services~~. In no event may any invoice for
33 payment be approved for (i) costs that are not related to
34 compliance with the requirements established by the wireless

1 enhanced 9-1-1 mandates of the Federal Communications
2 Commission, (ii) costs with respect to any wireless enhanced
3 9-1-1 service that is not operable at the time the invoice is
4 submitted, or (iii) costs of any wireless carrier exceeding
5 100% ~~125%~~ of the wireless emergency services charges remitted
6 to the Wireless Carrier Reimbursement Fund by the wireless
7 carrier under Section 17(b) unless the wireless carrier
8 received prior approval for the expenditures from the Illinois
9 Commerce Commission ~~Department of Central Management Services~~.

10 If in any month the total amount of invoices submitted to
11 the Illinois Commerce Commission ~~Department of Central~~
12 ~~Management Services~~ and approved for payment exceeds the amount
13 available in the Wireless Carrier Reimbursement Fund, wireless
14 carriers that have invoices approved for payment shall receive
15 a pro-rata share of the amount available in the Wireless
16 Carrier Reimbursement Fund based on the relative amount of
17 their approved invoices available that month, and the balance
18 of the payments shall be carried into the following months
19 until all of the approved payments are made.

20 A wireless carrier may not receive payment from the
21 Wireless Carrier Reimbursement Fund for its costs of providing
22 wireless enhanced 9-1-1 services in an area when a unit of
23 local government or emergency telephone system board provides
24 wireless 9-1-1 services in that area and was imposing and
25 collecting a wireless carrier surcharge prior to July 1, 1998.

26 The Illinois Commerce Commission ~~Department of Central~~
27 ~~Management Services~~ shall maintain detailed records of all
28 receipts and disbursements and shall provide an annual
29 accounting of all receipts and disbursements to the Auditor
30 General.

31 The Illinois Commerce Commission ~~Department of Central~~
32 ~~Management Services~~ shall adopt rules to govern the
33 reimbursement process.

34 (Source: P.A. 93-507, eff. 1-1-04.)

1 (Section scheduled to be repealed on April 1, 2008)

2 Sec. 40. Public disclosure. Because of the highly
3 competitive nature of the wireless telephone industry, a public
4 disclosure of information about surcharge moneys paid by
5 wireless carriers could have the effect of stifling competition
6 to the detriment of the public and the delivery of wireless
7 9-1-1 services. Therefore, the Illinois Commerce Commission
8 ~~Department of Central Management Services~~, the Department of
9 State Police, governmental agencies, and individuals with
10 access to that information shall take appropriate steps to
11 prevent public disclosure of this information. Information and
12 data supporting the amount and distribution of surcharge moneys
13 collected and remitted by an individual wireless carrier shall
14 be deemed exempt information for purposes of the Freedom of
15 Information Act and shall not be publicly disclosed. The gross
16 amount paid by all carriers shall not be deemed exempt and may
17 be publicly disclosed.

18 (Source: P.A. 91-660, eff. 12-22-99.)

19 (50 ILCS 751/50)

20 (Section scheduled to be repealed on April 1, 2008)

21 Sec. 50. Limitation of liability. Notwithstanding any
22 other provision of law, in no event shall a unit of local
23 government, the Illinois Commerce Commission as successor
24 agency to the Department of Central Management Services, the
25 Department of State Police, or a public safety agency, public
26 safety answering point, emergency telephone system board, or
27 wireless carrier, or its officers, employees, assigns, or
28 agents, be liable for any form of civil damages or criminal
29 liability that directly or indirectly results from, or is
30 caused by, any act or omission in the development, design,
31 installation, operation, maintenance, performance, or
32 provision of wireless 9-1-1 or wireless E9-1-1 service, unless
33 the act or omission constitutes gross negligence,
34 recklessness, or intentional misconduct.

35 A unit of local government, the Illinois Commerce

1 Commission as successor agency to the Department of Central
2 Management Services, the Department of State Police, or a
3 public safety agency, public safety answering point, emergency
4 telephone system board, or wireless carrier, or its officers,
5 employees, assigns, or agents, shall not be liable for any form
6 of civil damages or criminal liability that directly or
7 indirectly results from, or is caused by, the release of
8 subscriber information to any governmental entity as required
9 under the provisions of this Act, unless the release
10 constitutes gross negligence, recklessness, or intentional
11 misconduct.

12 (Source: P.A. 91-660, eff. 12-22-99.)

13 (50 ILCS 751/75 new)

14 Sec. 75. Transfer of rights, functions, powers, duties, and
15 property to Illinois Commerce Commission; rules and standards;
16 savings provisions.

17 (a) Beginning July 1, 2004, the rights, functions, powers,
18 and duties of the Department of Central Management Services as
19 set forth in this Act are transferred to and shall be exercised
20 by the Illinois Commerce Commission. By July 1, 2004, the
21 Department of Central Management Services shall transfer and
22 deliver to the Illinois Commerce Commission all books, records,
23 documents, property (real and personal), unexpended
24 appropriations, and pending business pertaining to the rights,
25 powers, duties, and functions transferred to the Illinois
26 Commerce Commission under this amendatory Act of the 93rd
27 General Assembly.

28 (b) The rules and standards of the Department of Central
29 Management Services that are in effect on June 30, 2004 and
30 that pertain to the rights, powers, duties, and functions
31 transferred to the Illinois Commerce Commission under this
32 amendatory Act of the 93rd General Assembly shall become the
33 rules and standards of the Illinois Commerce Commission on July
34 1, 2004, and shall continue in effect until amended or repealed
35 by the Illinois Commerce Commission.

1 Any rules pertaining to the rights, powers, duties, and
2 functions transferred to the Illinois Commerce Commission
3 under this amendatory Act of the 93rd General Assembly that
4 have been proposed by the Department of Central Management
5 Services but have not taken effect or been finally adopted by
6 June 30, 2004, shall become proposed rules of the Illinois
7 Commerce Commission on July 1, 2004, and any rulemaking
8 procedures that have already been completed by the Department
9 of Central Management Services for those proposed rules need
10 not be repealed.

11 As soon as it is practical after July 1, 2004, the Illinois
12 Commerce Commission shall revise and clarify the rules
13 transferred to it under this amendatory Act of the 93rd General
14 Assembly to reflect the transfer of rights, powers, duties, and
15 functions effected by this amendatory Act of the 93rd General
16 Assembly using the procedures for recodification of rules
17 available under the Illinois Administrative Procedure Act,
18 except that existing title, part, and section numbering for the
19 affected rules may be retained. The Illinois Commerce
20 Commission may propose and adopt under the Illinois
21 Administrative Procedure Act any other rules necessary to
22 consolidate and clarify those rules.

23 (c) The rights, powers, duties, and functions transferred
24 to the Illinois Commerce Commission by this amendatory Act of
25 the 93rd General Assembly shall be vested in and exercised by
26 the Commission subject to the provisions of this Act. An act
27 done by the Illinois Commerce Commission or an officer,
28 employee, or agent of the Commission in the exercise of the
29 transferred rights, powers, duties, and functions shall have
30 the same legal effect as if done by the Department of Central
31 Management Services or an officer, employee, or agent of the
32 Department.

33 The transfer of rights, powers, duties, and functions to
34 the Illinois Commerce Commission under this amendatory Act of
35 the 93rd General Assembly does not invalidate any previous
36 action taken by or in respect to the Department of Central

1 Management Services, its officers, employees, or agents.
2 References to the Department of Central Management Services or
3 its officers, employees, or agents in any document, contract,
4 agreement, or law shall, in appropriate contexts, be deemed to
5 refer to the Illinois Commerce Commission or its officers,
6 employees, or agents.

7 The transfer of rights, powers, duties, and functions to
8 the Illinois Commerce Commission under this amendatory Act of
9 the 93rd General Assembly does not affect any person's rights,
10 obligations, or duties, including any civil or criminal
11 penalties applicable thereto, arising out of those transferred
12 rights, powers, duties, and functions.

13 This amendatory Act of the 93rd General Assembly does not
14 affect any act done, ratified, or cancelled, any right
15 occurring or established, or any action or proceeding commenced
16 in an administrative, civil, or criminal case before July 1,
17 2004. Any such action or proceeding that pertains to a right,
18 power, duty, or function transferred to the Illinois Commerce
19 Commission under this amendatory Act of the 93rd General
20 Assembly that is pending on that date may be prosecuted,
21 defended, or continued by the Department of Central Management
22 Services.

23 For the purposes of Section 9b of the State Finance Act,
24 the Illinois Commerce Commission is the successor to the
25 Department of Central Management Services with respect to the
26 rights, duties, powers, and functions transferred by this
27 amendatory Act of the 93rd General Assembly.

28 Section 10-165. The Sanitary District Act of 1917 is
29 amended by adding Section 17.2 as follows:

30 (70 ILCS 2405/17.2 new)

31 Sec. 17.2. Acquisition of privately owned treatment works.

32 (a) After incorporation, any district organized under this
33 Act may, in accordance with this Act, acquire by purchase or
34 condemnation the territory, treatment works, lines,

1 appurtenances, water treatment works, storage tanks, water
2 lines, and other property of a privately owned public sewer and
3 water utility treatment works that is not located within any
4 other sanitary district, regardless of whether the area
5 serviced by the treatment works is contiguous to the acquiring
6 sanitary district. If, at the time of acquisition, the
7 treatment works is located within a municipality, then the
8 treatment works may not be acquired by the sanitary district
9 without the consent of that municipality. The distance between
10 the treatment works being acquired and the acquiring sanitary
11 district, as measured from the point of discharge of the
12 treatment works and the corporate boundary of the acquiring
13 sanitary district at its nearest point, shall be within 15
14 miles and shall be located in the sanitary district's facility
15 planning area (FPA).

16 (b) The acquisition of the treatment works by a sanitary
17 district shall not affect the obligation of any bonds issued in
18 the sanitary district or in the territory serviced by the
19 treatment works or invalidate the levy, extension, or
20 collection of any taxes or special assessments within the
21 sanitary district.

22 (c) The acquiring sanitary district may acquire by eminent
23 domain, within or outside its boundaries, easements necessary
24 to connect the treatment works to the sanitary district's
25 sewers or plants.

26 (d) The sanitary district may pass all necessary ordinances
27 to regulate the connections to and use of the sewer or water
28 system of the treatment works, including the establishment of a
29 user fee for the area serviced by the treatment works, and may
30 enforce those ordinances against all users of the acquired
31 system, within or outside its boundaries. The sanitary district
32 may own, operate, expand, and improve the private treatment
33 works in accordance with the provisions of this Act.

34 (e) The grant of powers set forth in this Section are a
35 restatement of existing law.

1 Section 10-167. The Environmental Protection Act is
2 amended by changing Section 55.6 as follows:

3 (415 ILCS 5/55.6) (from Ch. 111 1/2, par. 1055.6)

4 Sec. 55.6. Used Tire Management Fund.

5 (a) There is hereby created in the State Treasury a special
6 fund to be known as the Used Tire Management Fund. There shall
7 be deposited into the Fund all monies received as (1) recovered
8 costs or proceeds from the sale of used tires under Section
9 55.3 of this Act, (2) repayment of loans from the Used Tire
10 Management Fund, or (3) penalties or punitive damages for
11 violations of this Title, except as provided by subdivision
12 (b) (4) or (b) (4-5) of Section 42.

13 (b) Beginning January 1, 1992, in addition to any other
14 fees required by law, the owner or operator of each site
15 required to be registered under subsection (d) of Section 55
16 shall pay to the Agency an annual fee of \$100. Fees collected
17 under this subsection shall be deposited into the Environmental
18 Protection Permit and Inspection Fund.

19 (c) Pursuant to appropriation, monies up to an amount of \$2
20 million per fiscal year from the Used Tire Management Fund
21 shall be allocated as follows:

22 (1) 38% shall be available to the Agency for the
23 following purposes, provided that priority shall be given
24 to item (i):

25 (i) To undertake preventive, corrective or removal
26 action as authorized by and in accordance with Section
27 55.3, and to recover costs in accordance with Section
28 55.3.

29 (ii) For the performance of inspection and
30 enforcement activities for used and waste tire sites.

31 (iii) To assist with marketing of used tires by
32 augmenting the operations of an industrial materials
33 exchange service.

34 (iv) To provide financial assistance to units of
35 local government for the performance of inspecting,

1 investigating and enforcement activities pursuant to
2 subsection (r) of Section 4 at used and waste tire
3 sites.

4 (v) To provide financial assistance for used and
5 waste tire collection projects sponsored by local
6 government or not-for-profit corporations.

7 (vi) For the costs of fee collection and
8 administration relating to used and waste tires, and to
9 accomplish such other purposes as are authorized by
10 this Act and regulations thereunder.

11 (2) For fiscal years beginning prior to July 1, 2004,
12 23% shall be available to the Department of Commerce and
13 Economic Opportunity ~~Community Affairs~~ for the following
14 purposes, provided that priority shall be given to item
15 (A):

16 (A) To provide grants or loans for the purposes of:

17 (i) assisting units of local government and
18 private industry in the establishment of
19 facilities and programs to collect, process and
20 utilize used and waste tires and tire derived
21 materials;

22 (ii) demonstrating the feasibility of
23 innovative technologies as a means of collecting,
24 storing, processing and utilizing used and waste
25 tires and tire derived materials; and

26 (iii) applying demonstrated technologies as a
27 means of collecting, storing, processing, and
28 utilizing used and waste tires and tire derived
29 materials.

30 (B) To develop educational material for use by
31 officials and the public to better understand and
32 respond to the problems posed by used tires and
33 associated insects.

34 (C) (Blank).

35 (D) To perform such research as the Director deems
36 appropriate to help meet the purposes of this Act.

1 (E) To pay the costs of administration of its
2 activities authorized under this Act.

3 (2.1) For the fiscal year beginning July 1, 2004 and
4 for all fiscal years thereafter, 23% shall be deposited
5 into the General Revenue Fund.

6 (3) 25% shall be available to the Illinois Department
7 of Public Health for the following purposes:

8 (A) To investigate threats or potential threats to
9 the public health related to mosquitoes and other
10 vectors of disease associated with the improper
11 storage, handling and disposal of tires, improper
12 waste disposal, or natural conditions.

13 (B) To conduct surveillance and monitoring
14 activities for mosquitoes and other arthropod vectors
15 of disease, and surveillance of animals which provide a
16 reservoir for disease-producing organisms.

17 (C) To conduct training activities to promote
18 vector control programs and integrated pest management
19 as defined in the Vector Control Act.

20 (D) To respond to inquiries, investigate
21 complaints, conduct evaluations and provide technical
22 consultation to help reduce or eliminate public health
23 hazards and nuisance conditions associated with
24 mosquitoes and other vectors.

25 (E) To provide financial assistance to units of
26 local government for training, investigation and
27 response to public nuisances associated with
28 mosquitoes and other vectors of disease.

29 (4) 2% shall be available to the Department of
30 Agriculture for its activities under the Illinois
31 Pesticide Act relating to used and waste tires.

32 (5) 2% shall be available to the Pollution Control
33 Board for administration of its activities relating to used
34 and waste tires.

35 (6) 10% shall be available to the Department of Natural
36 Resources for the Illinois Natural History Survey to

1 perform research to study the biology, distribution,
2 population ecology, and biosystematics of tire-breeding
3 arthropods, especially mosquitoes, and the diseases they
4 spread.

5 (d) By January 1, 1998, and biennially thereafter, each
6 State agency receiving an appropriation from the Used Tire
7 Management Fund shall report to the Governor and the General
8 Assembly on its activities relating to the Fund.

9 (e) Any monies appropriated from the Used Tire Management
10 Fund, but not obligated, shall revert to the Fund.

11 (f) In administering the provisions of subdivisions (1),
12 (2) and (3) of subsection (c) of this Section, the Agency, the
13 Department of Commerce and Economic Opportunity ~~Community~~
14 ~~Affairs~~, and the Illinois Department of Public Health shall
15 ensure that appropriate funding assistance is provided to any
16 municipality with a population over 1,000,000 or to any
17 sanitary district which serves a population over 1,000,000.

18 (g) Pursuant to appropriation, monies in excess of \$2
19 million per fiscal year from the Used Tire Management Fund
20 shall be used as follows:

21 (1) 55% shall be available to the Agency to undertake
22 preventive, corrective or renewed action as authorized by
23 and in accordance with Section 55.3 and to recover costs in
24 accordance with Section 55.3.

25 (2) For fiscal years beginning prior to July 1, 2004,
26 45% shall be available to the Department of Commerce and
27 Economic Opportunity ~~Community Affairs~~ to provide grants
28 or loans for the purposes of:

29 (i) assisting units of local government and
30 private industry in the establishment of facilities
31 and programs to collect, process and utilize waste
32 tires and tire derived material;

33 (ii) demonstrating the feasibility of innovative
34 technologies as a means of collecting, storing,
35 processing, and utilizing used and waste tires and tire
36 derived materials; and

1 (iii) applying demonstrated technologies as a
2 means of collecting, storing, processing, and
3 utilizing used and waste tires and tire derived
4 materials.

5 (3) For the fiscal year beginning July 1, 2004 and for
6 all fiscal years thereafter, 45% shall be deposited into
7 the General Revenue Fund.

8 (Source: P.A. 91-856, eff. 6-22-00; 92-16, eff. 6-28-01;
9 revised 12-6-03.)

10 Section 10-168. The Illinois Low-Level Radioactive Waste
11 Management Act is amended by changing Section 13 as follows:

12 (420 ILCS 20/13) (from Ch. 111 1/2, par. 241-13)

13 Sec. 13. Waste fees.

14 (a) The Department shall collect a fee from each generator
15 of low-level radioactive wastes in this State. Except as
16 provided in subsections (b), (c), and (d), the amount of the
17 fee shall be \$50.00 or the following amount, whichever is
18 greater:

19 (1) \$1 per cubic foot of waste shipped for storage,
20 treatment or disposal if storage of the waste for shipment
21 occurred prior to September 7, 1984;

22 (2) \$2 per cubic foot of waste stored for shipment if
23 storage of the waste occurs on or after September 7, 1984,
24 but prior to October 1, 1985;

25 (3) \$3 per cubic foot of waste stored for shipment if
26 storage of the waste occurs on or after October 1, 1985;

27 (4) \$2 per cubic foot of waste shipped for storage,
28 treatment or disposal if storage of the waste for shipment
29 occurs on or after September 7, 1984 but prior to October
30 1, 1985, provided that no fee has been collected previously
31 for storage of the waste;

32 (5) \$3 per cubic foot of waste shipped for storage,
33 treatment or disposal if storage of the waste for shipment
34 occurs on or after October 1, 1985, provided that no fees

1 have been collected previously for storage of the waste.

2 Such fees shall be collected annually or as determined by
3 the Department and shall be deposited in the low-level
4 radioactive waste funds as provided in Section 14 of this Act.
5 Notwithstanding any other provision of this Act, no fee under
6 this Section shall be collected from a generator for waste
7 generated incident to manufacturing before December 31, 1980,
8 and shipped for disposal outside of this State before December
9 31, 1992, as part of a site reclamation leading to license
10 termination.

11 (b) Each nuclear power reactor in this State for which an
12 operating license has been issued by the Nuclear Regulatory
13 Commission shall not be subject to the fee required by
14 subsection (a) with respect to (1) waste stored for shipment if
15 storage of the waste occurs on or after January 1, 1986; and
16 (2) waste shipped for storage, treatment or disposal if storage
17 of the waste for shipment occurs on or after January 1, 1986.
18 In lieu of the fee, each reactor shall be required to pay an
19 annual fee as provided in this subsection for the treatment,
20 storage and disposal of low-level radioactive waste. Beginning
21 with State fiscal year 1986 and through State fiscal year 1997,
22 fees shall be due and payable on January 1st of each year. For
23 State fiscal year 1998 and all subsequent State fiscal years,
24 fees shall be due and payable on July 1 of each fiscal year.
25 The fee due on July 1, 1997 shall be payable on that date, or
26 within 10 days after the effective date of this amendatory Act
27 of 1997, whichever is later.

28 The owner of any nuclear power reactor that has an
29 operating license issued by the Nuclear Regulatory Commission
30 for any portion of State fiscal year 1998 shall continue to pay
31 an annual fee of \$90,000 for the treatment, storage, and
32 disposal of low-level radioactive waste through State fiscal
33 year 2002. The fee shall be due and payable on July 1 of each
34 fiscal year. The fee due on July 1, 1998 shall be payable on
35 that date, or within 10 days after the effective date of this
36 amendatory Act of 1998, whichever is later. If the balance in

1 the Low-Level Radioactive Waste Facility Development and
2 Operation Fund falls below \$500,000, as of the end of any
3 fiscal year after fiscal year 2002, the Department is
4 authorized to assess by rule, after notice and a hearing, an
5 additional annual fee to be paid by the owners of nuclear power
6 reactors for which operating licenses have been issued by the
7 Nuclear Regulatory Commission, except that no additional
8 annual fee shall be assessed because of the fund balance at the
9 end of fiscal year 2005. The additional annual fee shall be
10 payable on the date or dates specified by rule and shall not
11 exceed \$30,000 per operating reactor per year.

12 (c) In each of State fiscal years 1988, 1989 and 1990, in
13 addition to the fee imposed in subsections (b) and (d), the
14 owner of each nuclear power reactor in this State for which an
15 operating license has been issued by the Nuclear Regulatory
16 Commission shall pay a fee of \$408,000. If an operating license
17 is issued during one of those 3 fiscal years, the owner shall
18 pay a prorated amount of the fee equal to \$1,117.80 multiplied
19 by the number of days in the fiscal year during which the
20 nuclear power reactor was licensed.

21 The fee shall be due and payable as follows: in fiscal year
22 1988, \$204,000 shall be paid on October 1, 1987 and \$102,000
23 shall be paid on each of January 1, 1988 and April 1, 1988; in
24 fiscal year 1989, \$102,000 shall be paid on each of July 1,
25 1988, October 1, 1988, January 1, 1989 and April 1, 1989; and
26 in fiscal year 1990, \$102,000 shall be paid on each of July 1,
27 1989, October 1, 1989, January 1, 1990 and April 1, 1990. If
28 the operating license is issued during one of the 3 fiscal
29 years, the owner shall be subject to those payment dates, and
30 their corresponding amounts, on which the owner possesses an
31 operating license and, on June 30 of the fiscal year of
32 issuance of the license, whatever amount of the prorated fee
33 remains outstanding.

34 All of the amounts collected by the Department under this
35 subsection (c) shall be deposited into the Low-Level
36 Radioactive Waste Facility Development and Operation Fund

1 created under subsection (a) of Section 14 of this Act and
2 expended, subject to appropriation, for the purposes provided
3 in that subsection.

4 (d) In addition to the fees imposed in subsections (b) and
5 (c), the owners of nuclear power reactors in this State for
6 which operating licenses have been issued by the Nuclear
7 Regulatory Commission shall pay the following fees for each
8 such nuclear power reactor: for State fiscal year 1989,
9 \$325,000 payable on October 1, 1988, \$162,500 payable on
10 January 1, 1989, and \$162,500 payable on April 1, 1989; for
11 State fiscal year 1990, \$162,500 payable on July 1, \$300,000
12 payable on October 1, \$300,000 payable on January 1 and
13 \$300,000 payable on April 1; for State fiscal year 1991, either
14 (1) \$150,000 payable on July 1, \$650,000 payable on September
15 1, \$675,000 payable on January 1, and \$275,000 payable on April
16 1, or (2) \$150,000 on July 1, \$130,000 on the first day of each
17 month from August through December, \$225,000 on the first day
18 of each month from January through March and \$92,000 on the
19 first day of each month from April through June; for State
20 fiscal year 1992, \$260,000 payable on July 1, \$900,000 payable
21 on September 1, \$300,000 payable on October 1, \$150,000 payable
22 on January 1, and \$100,000 payable on April 1; for State fiscal
23 year 1993, \$100,000 payable on July 1, \$230,000 payable on
24 August 1 or within 10 days after July 31, 1992, whichever is
25 later, and \$355,000 payable on October 1; for State fiscal year
26 1994, \$100,000 payable on July 1, \$75,000 payable on October 1
27 and \$75,000 payable on April 1; for State fiscal year 1995,
28 \$100,000 payable on July 1, \$75,000 payable on October 1, and
29 \$75,000 payable on April 1, for State fiscal year 1996,
30 \$100,000 payable on July 1, \$75,000 payable on October 1, and
31 \$75,000 payable on April 1. The owner of any nuclear power
32 reactor that has an operating license issued by the Nuclear
33 Regulatory Commission for any portion of State fiscal year 1998
34 shall pay an annual fee of \$30,000 through State fiscal year
35 2003. For State fiscal year 2004 and subsequent fiscal years,
36 the owner of any nuclear power reactor that has an operating

1 license issued by the Nuclear Regulatory Commission shall pay
2 an annual fee of \$30,000 per reactor, provided that the fee
3 shall not apply to a nuclear power reactor with regard to which
4 the owner notified the Nuclear Regulatory Commission during
5 State fiscal year 1998 that the nuclear power reactor
6 permanently ceased operations. The fee shall be due and payable
7 on July 1 of each fiscal year. The fee due on July 1, 1998 shall
8 be payable on that date, or within 10 days after the effective
9 date of this amendatory Act of 1998, whichever is later. The
10 fee due on July 1, 1997 shall be payable on that date or within
11 10 days after the effective date of this amendatory Act of
12 1997, whichever is later. If the payments under this subsection
13 for fiscal year 1993 due on January 1, 1993, or on April 1,
14 1993, or both, were due before the effective date of this
15 amendatory Act of the 87th General Assembly, then those
16 payments are waived and need not be made.

17 All of the amounts collected by the Department under this
18 subsection (d) shall be deposited into the Low-Level
19 Radioactive Waste Facility Development and Operation Fund
20 created pursuant to subsection (a) of Section 14 of this Act
21 and expended, subject to appropriation, for the purposes
22 provided in that subsection.

23 All payments made by licensees under this subsection (d)
24 for fiscal year 1992 that are not appropriated and obligated by
25 the Department above \$1,750,000 per reactor in fiscal year
26 1992, shall be credited to the licensees making the payments to
27 reduce the per reactor fees required under this subsection (d)
28 for fiscal year 1993.

29 (e) The Department shall promulgate rules and regulations
30 establishing standards for the collection of the fees
31 authorized by this Section. The regulations shall include, but
32 need not be limited to:

33 (1) the records necessary to identify the amounts of
34 low-level radioactive wastes produced;

35 (2) the form and submission of reports to accompany the
36 payment of fees to the Department; and

1 (3) the time and manner of payment of fees to the
2 Department, which payments shall not be more frequent than
3 quarterly.

4 (f) Any operating agreement entered into under subsection
5 (b) of Section 5 of this Act between the Department and any
6 disposal facility contractor shall, subject to the provisions
7 of this Act, authorize the contractor to impose upon and
8 collect from persons using the disposal facility fees designed
9 and set at levels reasonably calculated to produce sufficient
10 revenues (1) to pay all costs and expenses properly incurred or
11 accrued in connection with, and properly allocated to,
12 performance of the contractor's obligations under the
13 operating agreement, and (2) to provide reasonable and
14 appropriate compensation or profit to the contractor under the
15 operating agreement. For purposes of this subsection (f), the
16 term "costs and expenses" may include, without limitation, (i)
17 direct and indirect costs and expenses for labor, services,
18 equipment, materials, insurance and other risk management
19 costs, interest and other financing charges, and taxes or fees
20 in lieu of taxes; (ii) payments to or required by the United
21 States, the State of Illinois or any agency or department
22 thereof, the Central Midwest Interstate Low-Level Radioactive
23 Waste Compact, and subject to the provisions of this Act, any
24 unit of local government; (iii) amortization of capitalized
25 costs with respect to the disposal facility and its
26 development, including any capitalized reserves; and (iv)
27 payments with respect to reserves, accounts, escrows or trust
28 funds required by law or otherwise provided for under the
29 operating agreement.

30 (g) (Blank).

31 (h) (Blank).

32 (i) (Blank).

33 (j) (Blank).

34 (j-5) Prior to commencement of facility operations, the
35 Department shall adopt rules providing for the establishment
36 and collection of fees and charges with respect to the use of

1 the disposal facility as provided in subsection (f) of this
2 Section.

3 (k) The regional disposal facility shall be subject to ad
4 valorem real estate taxes lawfully imposed by units of local
5 government and school districts with jurisdiction over the
6 facility. No other local government tax, surtax, fee or other
7 charge on activities at the regional disposal facility shall be
8 allowed except as authorized by the Department.

9 (l) The Department shall have the power, in the event that
10 acceptance of waste for disposal at the regional disposal
11 facility is suspended, delayed or interrupted, to impose
12 emergency fees on the generators of low-level radioactive
13 waste. Generators shall pay emergency fees within 30 days of
14 receipt of notice of the emergency fees. The Department shall
15 deposit all of the receipts of any fees collected under this
16 subsection into the Low-Level Radioactive Waste Facility
17 Development and Operation Fund created under subsection (b) of
18 Section 14. Emergency fees may be used to mitigate the impacts
19 of the suspension or interruption of acceptance of waste for
20 disposal. The requirements for rulemaking in the Illinois
21 Administrative Procedure Act shall not apply to the imposition
22 of emergency fees under this subsection.

23 (m) The Department shall promulgate any other rules and
24 regulations as may be necessary to implement this Section.

25 (Source: P.A. 92-276, eff. 8-7-01.)

26 Section 10-169. The Pretrial Services Act is amended by
27 changing Section 33 as follows:

28 (725 ILCS 185/33) (from Ch. 38, par. 333)

29 Sec. 33. The Supreme Court shall pay from funds
30 appropriated to it for this purpose 100% of all approved costs
31 for pretrial services, including pretrial services officers,
32 necessary support personnel, travel costs reasonably related
33 to the delivery of pretrial services, space costs, equipment,
34 telecommunications, postage, commodities, printing and

1 contractual services. Costs shall be reimbursed monthly, based
2 on a plan and budget approved by the Supreme Court. No
3 department may be reimbursed for costs which exceed or are not
4 provided for in the approved plan and budget. For State fiscal
5 years ~~year~~ 2004 and 2005 only, the Mandatory Arbitration Fund
6 may be used to reimburse approved costs for pretrial services.
7 (Source: P.A. 93-25, eff. 6-20-03.)

8 Section 10-170. The Unified Code of Corrections is amended
9 by changing Section 3-2-2 as follows:

10 (730 ILCS 5/3-2-2) (from Ch. 38, par. 1003-2-2)

11 Sec. 3-2-2. Powers and Duties of the Department.

12 (1) In addition to the powers, duties and responsibilities
13 which are otherwise provided by law, the Department shall have
14 the following powers:

15 (a) To accept persons committed to it by the courts of
16 this State for care, custody, treatment and
17 rehabilitation, and to accept federal prisoners and aliens
18 over whom the Office of the Federal Detention Trustee is
19 authorized to exercise the federal detention function for
20 limited purposes and periods of time.

21 (b) To develop and maintain reception and evaluation
22 units for purposes of analyzing the custody and
23 rehabilitation needs of persons committed to it and to
24 assign such persons to institutions and programs under its
25 control or transfer them to other appropriate agencies. In
26 consultation with the Department of Alcoholism and
27 Substance Abuse (now the Department of Human Services), the
28 Department of Corrections shall develop a master plan for
29 the screening and evaluation of persons committed to its
30 custody who have alcohol or drug abuse problems, and for
31 making appropriate treatment available to such persons;
32 the Department shall report to the General Assembly on such
33 plan not later than April 1, 1987. The maintenance and
34 implementation of such plan shall be contingent upon the

1 availability of funds.

2 (b-1) To create and implement, on January 1, 2002, a
3 pilot program to establish the effectiveness of
4 pupillometer technology (the measurement of the pupil's
5 reaction to light) as an alternative to a urine test for
6 purposes of screening and evaluating persons committed to
7 its custody who have alcohol or drug problems. The pilot
8 program shall require the pupillometer technology to be
9 used in at least one Department of Corrections facility.
10 The Director may expand the pilot program to include an
11 additional facility or facilities as he or she deems
12 appropriate. A minimum of 4,000 tests shall be included in
13 the pilot program. The Department must report to the
14 General Assembly on the effectiveness of the program by
15 January 1, 2003.

16 (b-5) To develop, in consultation with the Department
17 of State Police, a program for tracking and evaluating each
18 inmate from commitment through release for recording his or
19 her gang affiliations, activities, or ranks.

20 (c) To maintain and administer all State correctional
21 institutions and facilities under its control and to
22 establish new ones as needed. Pursuant to its power to
23 establish new institutions and facilities, the Department
24 may, with the written approval of the Governor, authorize
25 the Department of Central Management Services to enter into
26 an agreement of the type described in subsection (d) of
27 Section 405-300 of the Department of Central Management
28 Services Law (20 ILCS 405/405-300). The Department shall
29 designate those institutions which shall constitute the
30 State Penitentiary System.

31 Pursuant to its power to establish new institutions and
32 facilities, the Department may authorize the Department of
33 Central Management Services to accept bids from counties
34 and municipalities for the construction, remodeling or
35 conversion of a structure to be leased to the Department of
36 Corrections for the purposes of its serving as a

1 correctional institution or facility. Such construction,
2 remodeling or conversion may be financed with revenue bonds
3 issued pursuant to the Industrial Building Revenue Bond Act
4 by the municipality or county. The lease specified in a bid
5 shall be for a term of not less than the time needed to
6 retire any revenue bonds used to finance the project, but
7 not to exceed 40 years. The lease may grant to the State
8 the option to purchase the structure outright.

9 Upon receipt of the bids, the Department may certify
10 one or more of the bids and shall submit any such bids to
11 the General Assembly for approval. Upon approval of a bid
12 by a constitutional majority of both houses of the General
13 Assembly, pursuant to joint resolution, the Department of
14 Central Management Services may enter into an agreement
15 with the county or municipality pursuant to such bid.

16 (c-5) To build and maintain regional juvenile
17 detention centers and to charge a per diem to the counties
18 as established by the Department to defray the costs of
19 housing each minor in a center. In this subsection (c-5),
20 "juvenile detention center" means a facility to house
21 minors during pendency of trial who have been transferred
22 from proceedings under the Juvenile Court Act of 1987 to
23 prosecutions under the criminal laws of this State in
24 accordance with Section 5-805 of the Juvenile Court Act of
25 1987, whether the transfer was by operation of law or
26 permissive under that Section. The Department shall
27 designate the counties to be served by each regional
28 juvenile detention center.

29 (d) To develop and maintain programs of control,
30 rehabilitation and employment of committed persons within
31 its institutions.

32 (e) To establish a system of supervision and guidance
33 of committed persons in the community.

34 (f) To establish in cooperation with the Department of
35 Transportation to supply a sufficient number of prisoners
36 for use by the Department of Transportation to clean up the

1 trash and garbage along State, county, township, or
2 municipal highways as designated by the Department of
3 Transportation. The Department of Corrections, at the
4 request of the Department of Transportation, shall furnish
5 such prisoners at least annually for a period to be agreed
6 upon between the Director of Corrections and the Director
7 of Transportation. The prisoners used on this program shall
8 be selected by the Director of Corrections on whatever
9 basis he deems proper in consideration of their term,
10 behavior and earned eligibility to participate in such
11 program - where they will be outside of the prison facility
12 but still in the custody of the Department of Corrections.
13 Prisoners convicted of first degree murder, or a Class X
14 felony, or armed violence, or aggravated kidnapping, or
15 criminal sexual assault, aggravated criminal sexual abuse
16 or a subsequent conviction for criminal sexual abuse, or
17 forcible detention, or arson, or a prisoner adjudged a
18 Habitual Criminal shall not be eligible for selection to
19 participate in such program. The prisoners shall remain as
20 prisoners in the custody of the Department of Corrections
21 and such Department shall furnish whatever security is
22 necessary. The Department of Transportation shall furnish
23 trucks and equipment for the highway cleanup program and
24 personnel to supervise and direct the program. Neither the
25 Department of Corrections nor the Department of
26 Transportation shall replace any regular employee with a
27 prisoner.

28 (g) To maintain records of persons committed to it and
29 to establish programs of research, statistics and
30 planning.

31 (h) To investigate the grievances of any person
32 committed to the Department, to inquire into any alleged
33 misconduct by employees or committed persons, and to
34 investigate the assets of committed persons to implement
35 Section 3-7-6 of this Code; and for these purposes it may
36 issue subpoenas and compel the attendance of witnesses and

1 the production of writings and papers, and may examine
2 under oath any witnesses who may appear before it; to also
3 investigate alleged violations of a parolee's or
4 releasee's conditions of parole or release; and for this
5 purpose it may issue subpoenas and compel the attendance of
6 witnesses and the production of documents only if there is
7 reason to believe that such procedures would provide
8 evidence that such violations have occurred.

9 If any person fails to obey a subpoena issued under
10 this subsection, the Director may apply to any circuit
11 court to secure compliance with the subpoena. The failure
12 to comply with the order of the court issued in response
13 thereto shall be punishable as contempt of court.

14 (i) To appoint and remove the chief administrative
15 officers, and administer programs of training and
16 development of personnel of the Department. Personnel
17 assigned by the Department to be responsible for the
18 custody and control of committed persons or to investigate
19 the alleged misconduct of committed persons or employees or
20 alleged violations of a parolee's or releasee's conditions
21 of parole shall be conservators of the peace for those
22 purposes, and shall have the full power of peace officers
23 outside of the facilities of the Department in the
24 protection, arrest, retaking and reconfining of committed
25 persons or where the exercise of such power is necessary to
26 the investigation of such misconduct or violations.

27 (j) To cooperate with other departments and agencies
28 and with local communities for the development of standards
29 and programs for better correctional services in this
30 State.

31 (k) To administer all moneys and properties of the
32 Department.

33 (l) To report annually to the Governor on the committed
34 persons, institutions and programs of the Department.

35 (l-5) In a confidential annual report to the Governor,
36 the Department shall identify all inmate gangs by

1 specifying each current gang's name, population and allied
2 gangs. The Department shall further specify the number of
3 top leaders identified by the Department for each gang
4 during the past year, and the measures taken by the
5 Department to segregate each leader from his or her gang
6 and allied gangs. The Department shall further report the
7 current status of leaders identified and segregated in
8 previous years. All leaders described in the report shall
9 be identified by inmate number or other designation to
10 enable tracking, auditing, and verification without
11 revealing the names of the leaders. Because this report
12 contains law enforcement intelligence information
13 collected by the Department, the report is confidential and
14 not subject to public disclosure.

15 (m) To make all rules and regulations and exercise all
16 powers and duties vested by law in the Department.

17 (n) To establish rules and regulations for
18 administering a system of good conduct credits,
19 established in accordance with Section 3-6-3, subject to
20 review by the Prisoner Review Board.

21 (o) To administer the distribution of funds from the
22 State Treasury to reimburse counties where State penal
23 institutions are located for the payment of assistant
24 state's attorneys' salaries under Section 4-2001 of the
25 Counties Code.

26 (p) To exchange information with the Department of
27 Human Services and the Illinois Department of Public Aid
28 for the purpose of verifying living arrangements and for
29 other purposes directly connected with the administration
30 of this Code and the Illinois Public Aid Code.

31 (q) To establish a diversion program.

32 The program shall provide a structured environment for
33 selected technical parole or mandatory supervised release
34 violators and committed persons who have violated the rules
35 governing their conduct while in work release. This program
36 shall not apply to those persons who have committed a new

1 offense while serving on parole or mandatory supervised
2 release or while committed to work release.

3 Elements of the program shall include, but shall not be
4 limited to, the following:

5 (1) The staff of a diversion facility shall provide
6 supervision in accordance with required objectives set
7 by the facility.

8 (2) Participants shall be required to maintain
9 employment.

10 (3) Each participant shall pay for room and board
11 at the facility on a sliding-scale basis according to
12 the participant's income.

13 (4) Each participant shall:

14 (A) provide restitution to victims in
15 accordance with any court order;

16 (B) provide financial support to his
17 dependents; and

18 (C) make appropriate payments toward any other
19 court-ordered obligations.

20 (5) Each participant shall complete community
21 service in addition to employment.

22 (6) Participants shall take part in such
23 counseling, educational and other programs as the
24 Department may deem appropriate.

25 (7) Participants shall submit to drug and alcohol
26 screening.

27 (8) The Department shall promulgate rules
28 governing the administration of the program.

29 (r) To enter into intergovernmental cooperation
30 agreements under which persons in the custody of the
31 Department may participate in a county impact
32 incarceration program established under Section 3-6038 or
33 3-15003.5 of the Counties Code.

34 (r-5) To enter into intergovernmental cooperation
35 agreements under which minors adjudicated delinquent and
36 committed to the Department of Corrections, Juvenile

1 Division, may participate in a county juvenile impact
2 incarceration program established under Section 3-6039 of
3 the Counties Code.

4 (r-10) To systematically and routinely identify with
5 respect to each streetgang active within the correctional
6 system: (1) each active gang; (2) every existing inter-gang
7 affiliation or alliance; and (3) the current leaders in
8 each gang. The Department shall promptly segregate leaders
9 from inmates who belong to their gangs and allied gangs.
10 "Segregate" means no physical contact and, to the extent
11 possible under the conditions and space available at the
12 correctional facility, prohibition of visual and sound
13 communication. For the purposes of this paragraph (r-10),
14 "leaders" means persons who:

15 (i) are members of a criminal streetgang;

16 (ii) with respect to other individuals within the
17 streetgang, occupy a position of organizer,
18 supervisor, or other position of management or
19 leadership; and

20 (iii) are actively and personally engaged in
21 directing, ordering, authorizing, or requesting
22 commission of criminal acts by others, which are
23 punishable as a felony, in furtherance of streetgang
24 related activity both within and outside of the
25 Department of Corrections.

26 "Streetgang", "gang", and "streetgang related" have the
27 meanings ascribed to them in Section 10 of the Illinois
28 Streetgang Terrorism Omnibus Prevention Act.

29 (s) To operate a super-maximum security institution,
30 in order to manage and supervise inmates who are disruptive
31 or dangerous and provide for the safety and security of the
32 staff and the other inmates.

33 (t) To monitor any unprivileged conversation or any
34 unprivileged communication, whether in person or by mail,
35 telephone, or other means, between an inmate who, before
36 commitment to the Department, was a member of an organized

1 gang and any other person without the need to show cause or
2 satisfy any other requirement of law before beginning the
3 monitoring, except as constitutionally required. The
4 monitoring may be by video, voice, or other method of
5 recording or by any other means. As used in this
6 subdivision (1)(t), "organized gang" has the meaning
7 ascribed to it in Section 10 of the Illinois Streetgang
8 Terrorism Omnibus Prevention Act.

9 As used in this subdivision (1)(t), "unprivileged
10 conversation" or "unprivileged communication" means a
11 conversation or communication that is not protected by any
12 privilege recognized by law or by decision, rule, or order
13 of the Illinois Supreme Court.

14 (u) To establish a Women's and Children's Pre-release
15 Community Supervision Program for the purpose of providing
16 housing and services to eligible female inmates, as
17 determined by the Department, and their newborn and young
18 children.

19 (v) To do all other acts necessary to carry out the
20 provisions of this Chapter.

21 (2) The Department of Corrections shall by January 1, 1998,
22 consider building and operating a correctional facility within
23 100 miles of a county of over 2,000,000 inhabitants, especially
24 a facility designed to house juvenile participants in the
25 impact incarceration program.

26 (3) When the Department lets bids for contracts for medical
27 services to be provided to persons committed to Department
28 facilities by a health maintenance organization, medical
29 service corporation, or other health care provider, the bid may
30 only be let to a health care provider that has obtained an
31 irrevocable letter of credit or performance bond issued by a
32 company whose bonds are rated AAA by a bond rating
33 organization.

34 (4) When the Department lets bids for contracts for food or
35 commissary services to be provided to Department facilities,
36 the bid may only be let to a food or commissary services

1 provider that has obtained an irrevocable letter of credit or
2 performance bond issued by a company whose bonds are rated AAA
3 by a bond rating organization.

4 (Source: P.A. 91-239, eff. 1-1-00; 91-357, eff. 7-29-99;
5 92-444, eff. 1-1-02; 92-712, eff. 1-1-03.)

6 Section 10-175. The Probation and Probation Officers Act is
7 amended by changing Sections 15 and 15.1 as follows:

8 (730 ILCS 110/15) (from Ch. 38, par. 204-7)

9 Sec. 15. (1) The Supreme Court of Illinois may establish a
10 Division of Probation Services whose purpose shall be the
11 development, establishment, promulgation, and enforcement of
12 uniform standards for probation services in this State, and to
13 otherwise carry out the intent of this Act. The Division may:

14 (a) establish qualifications for chief probation
15 officers and other probation and court services personnel
16 as to hiring, promotion, and training.

17 (b) make available, on a timely basis, lists of those
18 applicants whose qualifications meet the regulations
19 referred to herein, including on said lists all candidates
20 found qualified.

21 (c) establish a means of verifying the conditions for
22 reimbursement under this Act and develop criteria for
23 approved costs for reimbursement.

24 (d) develop standards and approve employee
25 compensation schedules for probation and court services
26 departments.

27 (e) employ sufficient personnel in the Division to
28 carry out the functions of the Division.

29 (f) establish a system of training and establish
30 standards for personnel orientation and training.

31 (g) develop standards for a system of record keeping
32 for cases and programs, gather statistics, establish a
33 system of uniform forms, and develop research for planning
34 of Probation Services.

1 (h) develop standards to assure adequate support
2 personnel, office space, equipment and supplies, travel
3 expenses, and other essential items necessary for
4 Probation and Court Services Departments to carry out their
5 duties.

6 (i) review and approve annual plans submitted by
7 Probation and Court Services Departments.

8 (j) monitor and evaluate all programs operated by
9 Probation and Court Services Departments, and may include
10 in the program evaluation criteria such factors as the
11 percentage of Probation sentences for felons convicted of
12 Probationable offenses.

13 (k) seek the cooperation of local and State government
14 and private agencies to improve the quality of probation
15 and court services.

16 (l) where appropriate, establish programs and
17 corresponding standards designed to generally improve the
18 quality of probation and court services and reduce the rate
19 of adult or juvenile offenders committed to the Department
20 of Corrections.

21 (m) establish such other standards and regulations and
22 do all acts necessary to carry out the intent and purposes
23 of this Act.

24 The Division shall establish a model list of structured
25 intermediate sanctions that may be imposed by a probation
26 agency for violations of terms and conditions of a sentence of
27 probation, conditional discharge, or supervision.

28 The State of Illinois shall provide for the costs of
29 personnel, travel, equipment, telecommunications, postage,
30 commodities, printing, space, contractual services and other
31 related costs necessary to carry out the intent of this Act.

32 (2) (a) The chief judge of each circuit shall provide
33 full-time probation services for all counties within the
34 circuit, in a manner consistent with the annual probation plan,
35 the standards, policies, and regulations established by the
36 Supreme Court. A probation district of two or more counties

1 within a circuit may be created for the purposes of providing
2 full-time probation services. Every county or group of counties
3 within a circuit shall maintain a probation department which
4 shall be under the authority of the Chief Judge of the circuit
5 or some other judge designated by the Chief Judge. The Chief
6 Judge, through the Probation and Court Services Department
7 shall submit annual plans to the Division for probation and
8 related services.

9 (b) The Chief Judge of each circuit shall appoint the Chief
10 Probation Officer and all other probation officers for his or
11 her circuit from lists of qualified applicants supplied by the
12 Supreme Court. Candidates for chief managing officer and other
13 probation officer positions must apply with both the Chief
14 Judge of the circuit and the Supreme Court.

15 (3) A Probation and Court Service Department shall apply to
16 the Supreme Court for funds for basic services, and may apply
17 for funds for new and expanded programs or Individualized
18 Services and Programs. Costs shall be reimbursed monthly based
19 on a plan and budget approved by the Supreme Court. No
20 Department may be reimbursed for costs which exceed or are not
21 provided for in the approved annual plan and budget. After the
22 effective date of this amendatory Act of 1985, each county must
23 provide basic services in accordance with the annual plan and
24 standards created by the division. No department may receive
25 funds for new or expanded programs or individualized services
26 and programs unless they are in compliance with standards as
27 enumerated in paragraph (h) of subsection (1) of this Section,
28 the annual plan, and standards for basic services.

29 (4) The Division shall reimburse the county or counties for
30 probation services as follows:

31 (a) 100% of the salary of all chief managing officers
32 designated as such by the Chief Judge and the division.

33 (b) 100% of the salary for all probation officer and
34 supervisor positions approved for reimbursement by the
35 division after April 1, 1984, to meet workload standards
36 and to implement intensive sanction and probation

1 supervision programs and other basic services as defined in
2 this Act.

3 (c) 100% of the salary for all secure detention
4 personnel and non-secure group home personnel approved for
5 reimbursement after December 1, 1990. For all such
6 positions approved for reimbursement before December 1,
7 1990, the counties shall be reimbursed \$1,250 per month
8 beginning July 1, 1995, and an additional \$250 per month
9 beginning each July 1st thereafter until the positions
10 receive 100% salary reimbursement. Allocation of such
11 positions will be based on comparative need considering
12 capacity, staff/resident ratio, physical plant and
13 program.

14 (d) \$1,000 per month for salaries for the remaining
15 probation officer positions engaged in basic services and
16 new or expanded services. All such positions shall be
17 approved by the division in accordance with this Act and
18 division standards.

19 (e) 100% of the travel expenses in accordance with
20 Division standards for all Probation positions approved
21 under paragraph (b) of subsection 4 of this Section.

22 (f) If the amount of funds reimbursed to the county
23 under paragraphs (a) through (e) of subsection 4 of this
24 Section on an annual basis is less than the amount the
25 county had received during the 12 month period immediately
26 prior to the effective date of this amendatory Act of 1985,
27 then the Division shall reimburse the amount of the
28 difference to the county. The effect of paragraph (b) of
29 subsection 7 of this Section shall be considered in
30 implementing this supplemental reimbursement provision.

31 (5) The Division shall provide funds beginning on April 1,
32 1987 for the counties to provide Individualized Services and
33 Programs as provided in Section 16 of this Act.

34 (6) A Probation and Court Services Department in order to
35 be eligible for the reimbursement must submit to the Supreme
36 Court an application containing such information and in such a

1 form and by such dates as the Supreme Court may require.
2 Departments to be eligible for funding must satisfy the
3 following conditions:

4 (a) The Department shall have on file with the Supreme
5 Court an annual Probation plan for continuing, improved,
6 and new Probation and Court Services Programs approved by
7 the Supreme Court or its designee. This plan shall indicate
8 the manner in which Probation and Court Services will be
9 delivered and improved, consistent with the minimum
10 standards and regulations for Probation and Court
11 Services, as established by the Supreme Court. In counties
12 with more than one Probation and Court Services Department
13 eligible to receive funds, all Departments within that
14 county must submit plans which are approved by the Supreme
15 Court.

16 (b) The annual probation plan shall seek to generally
17 improve the quality of probation services and to reduce the
18 commitment of adult and juvenile offenders to the
19 Department of Corrections and shall require, when
20 appropriate, coordination with the Department of
21 Corrections and the Department of Children and Family
22 Services in the development and use of community resources,
23 information systems, case review and permanency planning
24 systems to avoid the duplication of services.

25 (c) The Department shall be in compliance with
26 standards developed by the Supreme Court for basic, new and
27 expanded services, training, personnel hiring and
28 promotion.

29 (d) The Department shall in its annual plan indicate
30 the manner in which it will support the rights of crime
31 victims and in which manner it will implement Article I,
32 Section 8.1 of the Illinois Constitution and in what manner
33 it will coordinate crime victims' support services with
34 other criminal justice agencies within its jurisdiction,
35 including but not limited to, the State's Attorney, the
36 Sheriff and any municipal police department.

1 (7) No statement shall be verified by the Supreme Court or
2 its designee or vouchered by the Comptroller unless each of the
3 following conditions have been met:

4 (a) The probation officer is a full-time employee
5 appointed by the Chief Judge to provide probation services.

6 (b) The probation officer, in order to be eligible for
7 State reimbursement, is receiving a salary of at least
8 \$17,000 per year.

9 (c) The probation officer is appointed or was
10 reappointed in accordance with minimum qualifications or
11 criteria established by the Supreme Court; however, all
12 probation officers appointed prior to January 1, 1978,
13 shall be exempted from the minimum requirements
14 established by the Supreme Court. Payments shall be made to
15 counties employing these exempted probation officers as
16 long as they are employed in the position held on the
17 effective date of this amendatory Act of 1985. Promotions
18 shall be governed by minimum qualifications established by
19 the Supreme Court.

20 (d) The Department has an established compensation
21 schedule approved by the Supreme Court. The compensation
22 schedule shall include salary ranges with necessary
23 increments to compensate each employee. The increments
24 shall, within the salary ranges, be based on such factors
25 as bona fide occupational qualifications, performance, and
26 length of service. Each position in the Department shall be
27 placed on the compensation schedule according to job duties
28 and responsibilities of such position. The policy and
29 procedures of the compensation schedule shall be made
30 available to each employee.

31 (8) In order to obtain full reimbursement of all approved
32 costs, each Department must continue to employ at least the
33 same number of probation officers and probation managers as
34 were authorized for employment for the fiscal year which
35 includes January 1, 1985. This number shall be designated as
36 the base amount of the Department. No positions approved by the

1 Division under paragraph (b) of subsection 4 will be included
2 in the base amount. In the event that the Department employs
3 fewer Probation officers and Probation managers than the base
4 amount for a period of 90 days, funding received by the
5 Department under subsection 4 of this Section may be reduced on
6 a monthly basis by the amount of the current salaries of any
7 positions below the base amount.

8 (9) Before the 15th day of each month, the treasurer of any
9 county which has a Probation and Court Services Department, or
10 the treasurer of the most populous county, in the case of a
11 Probation or Court Services Department funded by more than one
12 county, shall submit an itemized statement of all approved
13 costs incurred in the delivery of Basic Probation and Court
14 Services under this Act to the Supreme Court. The treasurer may
15 also submit an itemized statement of all approved costs
16 incurred in the delivery of new and expanded Probation and
17 Court Services as well as Individualized Services and Programs.
18 The Supreme Court or its designee shall verify compliance with
19 this Section and shall examine and audit the monthly statement
20 and, upon finding them to be correct, shall forward them to the
21 Comptroller for payment to the county treasurer. In the case of
22 payment to a treasurer of a county which is the most populous
23 of counties sharing the salary and expenses of a Probation and
24 Court Services Department, the treasurer shall divide the money
25 between the counties in a manner that reflects each county's
26 share of the cost incurred by the Department.

27 (10) The county treasurer must certify that funds received
28 under this Section shall be used solely to maintain and improve
29 Probation and Court Services. The county or circuit shall
30 remain in compliance with all standards, policies and
31 regulations established by the Supreme Court. If at any time
32 the Supreme Court determines that a county or circuit is not in
33 compliance, the Supreme Court shall immediately notify the
34 Chief Judge, county board chairman and the Director of Court
35 Services Chief Probation Officer. If after 90 days of written
36 notice the noncompliance still exists, the Supreme Court shall

1 be required to reduce the amount of monthly reimbursement by
2 10%. An additional 10% reduction of monthly reimbursement shall
3 occur for each consecutive month of noncompliance. Except as
4 provided in subsection 5 of Section 15, funding to counties
5 shall commence on April 1, 1986. Funds received under this Act
6 shall be used to provide for Probation Department expenses
7 including those required under Section 13 of this Act. For
8 State fiscal years ~~year~~ 2004 and 2005 only, the Mandatory
9 Arbitration Fund may be used to provide for Probation
10 Department expenses, including those required under Section 13
11 of this Act.

12 (11) The respective counties shall be responsible for
13 capital and space costs, fringe benefits, clerical costs,
14 equipment, telecommunications, postage, commodities and
15 printing.

16 (12) For purposes of this Act only, probation officers
17 shall be considered peace officers. In the exercise of their
18 official duties, probation officers, sheriffs, and police
19 officers may, anywhere within the State, arrest any probationer
20 who is in violation of any of the conditions of his or her
21 probation, conditional discharge, or supervision, and it shall
22 be the duty of the officer making the arrest to take the
23 probationer before the Court having jurisdiction over the
24 probationer for further order.

25 (Source: P.A. 93-25, eff. 6-20-03; 93-576, eff. 1-1-04; revised
26 9-23-03.)

27 (730 ILCS 110/15.1) (from Ch. 38, par. 204-7.1)

28 Sec. 15.1. Probation and Court Services Fund.

29 (a) The county treasurer in each county shall establish a
30 probation and court services fund consisting of fees collected
31 pursuant to subsection (i) of Section 5-6-3 and subsection (i)
32 of Section 5-6-3.1 of the Unified Code of Corrections,
33 subsection (10) of Section 5-615 and subsection (5) of Section
34 5-715 of the Juvenile Court Act of 1987, and paragraph 14.3 of
35 subsection (b) of Section 110-10 of the Code of Criminal

1 Procedure of 1963. The county treasurer shall disburse monies
2 from the fund only at the direction of the chief judge of the
3 circuit court in such circuit where the county is located. The
4 county treasurer of each county shall, on or before January 10
5 of each year, submit an annual report to the Supreme Court.

6 (b) Monies in the probation and court services fund shall
7 be appropriated by the county board to be used within the
8 county or jurisdiction where collected in accordance with
9 policies and guidelines approved by the Supreme Court for the
10 costs of operating the probation and court services department
11 or departments; however, except as provided in subparagraph
12 (g), monies in the probation and court services fund shall not
13 be used for the payment of salaries of probation and court
14 services personnel.

15 (c) Monies expended from the probation and court services
16 fund shall be used to supplement, not supplant, county
17 appropriations for probation and court services.

18 (d) Interest earned on monies deposited in a probation and
19 court services fund may be used by the county for its ordinary
20 and contingent expenditures.

21 (e) The county board may appropriate moneys from the
22 probation and court services fund, upon the direction of the
23 chief judge, to support programs that are part of the continuum
24 of juvenile delinquency intervention programs which are or may
25 be developed within the county. The grants from the probation
26 and court services fund shall be for no more than one year and
27 may be used for any expenses attributable to the program
28 including administration and oversight of the program by the
29 probation department.

30 (f) The county board may appropriate moneys from the
31 probation and court services fund, upon the direction of the
32 chief judge, to support practices endorsed or required under
33 the Sex Offender Management Board Act, including but not
34 limited to sex offender evaluation, treatment, and monitoring
35 programs that are or may be developed within the county.

36 (g) For the State Fiscal Year 2005 only, the Administrative

1 Office of the Illinois Courts may permit a county or circuit to
2 use its probation and court services fund for the payment of
3 salaries of probation officers and other court services
4 personnel whose salaries are reimbursed under this Act if the
5 State's FY2005 appropriation to the Supreme Court for
6 reimbursement to counties for probation salaries and services
7 is less than the amount appropriated to the Supreme Court for
8 these purposes for State Fiscal Year 2004. The Administrative
9 Office of the Illinois Courts shall take into account any
10 annual surplus or deficit that any county or circuit has in its
11 probation and court services fund and any amounts already
12 obligated from such fund when apportioning the total
13 reimbursement for each county or circuit.

14 (Source: P.A. 92-329, eff. 8-9-01; 93-616, eff. 1-1-04.)

15 Section 10-178. The Code of Civil Procedure is amended by
16 changing Section 2-1009A as follows:

17 (735 ILCS 5/2-1009A) (from Ch. 110, par. 2-1009A)

18 Sec. 2-1009A. Filing Fees. In each county authorized by the
19 Supreme Court to utilize mandatory arbitration, the clerk of
20 the circuit court shall charge and collect, in addition to any
21 other fees, an arbitration fee of \$8, except in counties with
22 3,000,000 or more inhabitants the fee shall be \$10, at the time
23 of filing the first pleading, paper or other appearance filed
24 by each party in all civil cases, but no additional fee shall
25 be required if more than one party is represented in a single
26 pleading, paper or other appearance. Arbitration fees received
27 by the clerk of the circuit court pursuant to this Section
28 shall be remitted within one month after receipt to the State
29 Treasurer for deposit into the Mandatory Arbitration Fund, a
30 special fund in the State treasury for the purpose of funding
31 mandatory arbitration programs and such other alternative
32 dispute resolution programs as may be authorized by circuit
33 court rule for operation in counties that have implemented
34 mandatory arbitration, with a separate account being

1 maintained for each county. Notwithstanding any other
2 provision of this Section to the contrary, and for State fiscal
3 years year 2004 and 2005 only, ~~up to \$5,500,000 of~~ the
4 Mandatory Arbitration Fund may be used for any other purpose
5 authorized by the Supreme Court.

6 (Source: P.A. 93-25, eff. 6-20-03.)

7 Section 10-180. The Illinois Pre-Need Cemetery Sales Act is
8 amended by changing Section 22 as follows:

9 (815 ILCS 390/22) (from Ch. 21, par. 222)

10 Sec. 22. Cemetery Consumer Protection Fund.

11 (a) Every seller engaging in pre-need sales shall pay to
12 the Comptroller \$5 for each said contract entered into, to be
13 paid into a special income earning fund hereby created in the
14 State Treasury, known as the Cemetery Consumer Protection Fund.
15 The above said fees shall be remitted to the Comptroller
16 semi-annually within 30 days after the end of June and December
17 for all contracts that have been entered in such 6 month
18 period.

19 (b) All monies paid into the fund together with all
20 accumulated undistributed income thereon shall be held as a
21 special fund in the State Treasury. The fund shall be used
22 solely for the purpose of providing restitution to consumers
23 who have suffered pecuniary loss arising out of pre-need sales
24 or to satisfy Receiver's fees ordered by the Circuit Court
25 prior to June 30, 2004.

26 (c) The fund shall be applied only to restitution or
27 completion of the project or delivery of the merchandise or
28 services, where such has been ordered by the Circuit Court in a
29 lawsuit brought under this Act by the Attorney General of the
30 State of Illinois on behalf of the Comptroller and in which it
31 has been determined by the Court that the obligation is
32 non-collectible from the judgment debtor. Restitution shall
33 not exceed the amount of the sales price paid plus interest at
34 the statutory rate. The fund shall not be used for the payment

1 of any attorney or other fees.

2 (d) Whenever restitution is paid by the fund, the fund
3 shall be subrogated to the amount of such restitution, and the
4 Comptroller shall request the Attorney General to engage in all
5 reasonable post judgment collection steps to collect said
6 restitution from the judgment debtor and reimburse the fund.

7 (e) The fund shall not be applied toward any restitution
8 for losses in any lawsuit initiated by the Attorney General or
9 Comptroller or with respect to any claim made on pre-need sales
10 which occurred prior to the effective date of this Act.

11 (f) The fund may not be allocated for any purpose other
12 than that specified in this Act.

13 (g) Notwithstanding any other provision of this Section,
14 the payment of restitution from the fund shall be a matter of
15 grace and not of right and no purchaser shall have any vested
16 rights in the fund as a beneficiary or otherwise. Prior to
17 seeking restitution from the fund, a purchaser or beneficiary
18 seeking payment of restitution shall apply for restitution on a
19 form provided by the Comptroller. The form shall include any
20 information the Comptroller may reasonably require in order for
21 the Court to determine that restitution or completion of the
22 project or delivery of merchandise or service is appropriate.

23 (h) Annually, the status of the fund shall be reviewed by
24 the Comptroller, and if he determines that the fund together
25 with all accumulated income earned thereon, equals or exceeds
26 \$10,000,000 and that the total number of outstanding claims
27 filed against the fund is less than 10% of the fund's current
28 balance, then payments to the fund shall be suspended until
29 such time as the fund's balance drops below \$10,000,000 or the
30 total number of outstanding claims filed against the fund is
31 more than 10% of the fund's current balance, but on such
32 suspension, the fund shall not be considered inactive.

33 (Source: P.A. 92-419, eff. 1-1-02.)

34 Section 10-185. The State Employees Group Insurance Act of
35 1971 is amended by changing Sections 3 and 10 as follows:

1 (5 ILCS 375/3) (from Ch. 127, par. 523)

2 Sec. 3. Definitions. Unless the context otherwise
3 requires, the following words and phrases as used in this Act
4 shall have the following meanings. The Department may define
5 these and other words and phrases separately for the purpose of
6 implementing specific programs providing benefits under this
7 Act.

8 (a) "Administrative service organization" means any
9 person, firm or corporation experienced in the handling of
10 claims which is fully qualified, financially sound and capable
11 of meeting the service requirements of a contract of
12 administration executed with the Department.

13 (b) "Annuitant" means (1) an employee who retires, or has
14 retired, on or after January 1, 1966 on an immediate annuity
15 under the provisions of Articles 2, 14 (including an employee
16 who has elected to receive an alternative retirement
17 cancellation payment under Section 14-108.5 of the Illinois
18 Pension Code in lieu of an annuity), 15 (including an employee
19 who has retired under the optional retirement program
20 established under Section 15-158.2), paragraphs (2), (3), or
21 (5) of Section 16-106, or Article 18 of the Illinois Pension
22 Code; (2) any person who was receiving group insurance coverage
23 under this Act as of March 31, 1978 by reason of his status as
24 an annuitant, even though the annuity in relation to which such
25 coverage was provided is a proportional annuity based on less
26 than the minimum period of service required for a retirement
27 annuity in the system involved; (3) any person not otherwise
28 covered by this Act who has retired as a participating member
29 under Article 2 of the Illinois Pension Code but is ineligible
30 for the retirement annuity under Section 2-119 of the Illinois
31 Pension Code; (4) the spouse of any person who is receiving a
32 retirement annuity under Article 18 of the Illinois Pension
33 Code and who is covered under a group health insurance program
34 sponsored by a governmental employer other than the State of
35 Illinois and who has irrevocably elected to waive his or her

1 coverage under this Act and to have his or her spouse
2 considered as the "annuitant" under this Act and not as a
3 "dependent"; or (5) an employee who retires, or has retired,
4 from a qualified position, as determined according to rules
5 promulgated by the Director, under a qualified local government
6 or a qualified rehabilitation facility or a qualified domestic
7 violence shelter or service. (For definition of "retired
8 employee", see (p) post).

9 (b-5) "New SERS annuitant" means a person who, on or after
10 January 1, 1998, becomes an annuitant, as defined in subsection
11 (b), by virtue of beginning to receive a retirement annuity
12 under Article 14 of the Illinois Pension Code (including an
13 employee who has elected to receive an alternative retirement
14 cancellation payment under Section 14-108.5 of that Code in
15 lieu of an annuity), and is eligible to participate in the
16 basic program of group health benefits provided for annuitants
17 under this Act.

18 (b-6) "New SURS annuitant" means a person who (1) on or
19 after January 1, 1998, becomes an annuitant, as defined in
20 subsection (b), by virtue of beginning to receive a retirement
21 annuity under Article 15 of the Illinois Pension Code, (2) has
22 not made the election authorized under Section 15-135.1 of the
23 Illinois Pension Code, and (3) is eligible to participate in
24 the basic program of group health benefits provided for
25 annuitants under this Act.

26 (b-7) "New TRS State annuitant" means a person who, on or
27 after July 1, 1998, becomes an annuitant, as defined in
28 subsection (b), by virtue of beginning to receive a retirement
29 annuity under Article 16 of the Illinois Pension Code based on
30 service as a teacher as defined in paragraph (2), (3), or (5)
31 of Section 16-106 of that Code, and is eligible to participate
32 in the basic program of group health benefits provided for
33 annuitants under this Act.

34 (c) "Carrier" means (1) an insurance company, a corporation
35 organized under the Limited Health Service Organization Act or
36 the Voluntary Health Services Plan Act, a partnership, or other

1 nongovernmental organization, which is authorized to do group
2 life or group health insurance business in Illinois, or (2) the
3 State of Illinois as a self-insurer.

4 (d) "Compensation" means salary or wages payable on a
5 regular payroll by the State Treasurer on a warrant of the
6 State Comptroller out of any State, trust or federal fund, or
7 by the Governor of the State through a disbursing officer of
8 the State out of a trust or out of federal funds, or by any
9 Department out of State, trust, federal or other funds held by
10 the State Treasurer or the Department, to any person for
11 personal services currently performed, and ordinary or
12 accidental disability benefits under Articles 2, 14, 15
13 (including ordinary or accidental disability benefits under
14 the optional retirement program established under Section
15 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or
16 Article 18 of the Illinois Pension Code, for disability
17 incurred after January 1, 1966, or benefits payable under the
18 Workers' Compensation or Occupational Diseases Act or benefits
19 payable under a sick pay plan established in accordance with
20 Section 36 of the State Finance Act. "Compensation" also means
21 salary or wages paid to an employee of any qualified local
22 government or qualified rehabilitation facility or a qualified
23 domestic violence shelter or service.

24 (e) "Commission" means the State Employees Group Insurance
25 Advisory Commission authorized by this Act. Commencing July 1,
26 1984, "Commission" as used in this Act means the Illinois
27 Economic and Fiscal Commission as established by the
28 Legislative Commission Reorganization Act of 1984.

29 (f) "Contributory", when referred to as contributory
30 coverage, shall mean optional coverages or benefits elected by
31 the member toward the cost of which such member makes
32 contribution, or which are funded in whole or in part through
33 the acceptance of a reduction in earnings or the foregoing of
34 an increase in earnings by an employee, as distinguished from
35 noncontributory coverage or benefits which are paid entirely by
36 the State of Illinois without reduction of the member's salary.

1 (g) "Department" means any department, institution, board,
2 commission, officer, court or any agency of the State
3 government receiving appropriations and having power to
4 certify payrolls to the Comptroller authorizing payments of
5 salary and wages against such appropriations as are made by the
6 General Assembly from any State fund, or against trust funds
7 held by the State Treasurer and includes boards of trustees of
8 the retirement systems created by Articles 2, 14, 15, 16 and 18
9 of the Illinois Pension Code. "Department" also includes the
10 Illinois Comprehensive Health Insurance Board, the Board of
11 Examiners established under the Illinois Public Accounting
12 Act, and the Illinois Finance Authority.

13 (h) "Dependent", when the term is used in the context of
14 the health and life plan, means a member's spouse and any
15 unmarried child (1) from birth to age 19 including an adopted
16 child, a child who lives with the member from the time of the
17 filing of a petition for adoption until entry of an order of
18 adoption, a stepchild or recognized child who lives with the
19 member in a parent-child relationship, or a child who lives
20 with the member if such member is a court appointed guardian of
21 the child, or (2) age 19 to 23 enrolled as a full-time student
22 in any accredited school, financially dependent upon the
23 member, and eligible to be claimed as a dependent for income
24 tax purposes, or (3) age 19 or over who is mentally or
25 physically handicapped. For the health plan only, the term
26 "dependent" also includes any person enrolled prior to the
27 effective date of this Section who is dependent upon the member
28 to the extent that the member may claim such person as a
29 dependent for income tax deduction purposes; no other such
30 person may be enrolled. For the health plan only, the term
31 "dependent" also includes any person who has received after
32 June 30, 2000 an organ transplant and who is financially
33 dependent upon the member and eligible to be claimed as a
34 dependent for income tax purposes.

35 (i) "Director" means the Director of the Illinois
36 Department of Central Management Services.

1 (j) "Eligibility period" means the period of time a member
2 has to elect enrollment in programs or to select benefits
3 without regard to age, sex or health.

4 (k) "Employee" means and includes each officer or employee
5 in the service of a department who (1) receives his
6 compensation for service rendered to the department on a
7 warrant issued pursuant to a payroll certified by a department
8 or on a warrant or check issued and drawn by a department upon
9 a trust, federal or other fund or on a warrant issued pursuant
10 to a payroll certified by an elected or duly appointed officer
11 of the State or who receives payment of the performance of
12 personal services on a warrant issued pursuant to a payroll
13 certified by a Department and drawn by the Comptroller upon the
14 State Treasurer against appropriations made by the General
15 Assembly from any fund or against trust funds held by the State
16 Treasurer, and (2) is employed full-time or part-time in a
17 position normally requiring actual performance of duty during
18 not less than 1/2 of a normal work period, as established by
19 the Director in cooperation with each department, except that
20 persons elected by popular vote will be considered employees
21 during the entire term for which they are elected regardless of
22 hours devoted to the service of the State, and (3) except that
23 "employee" does not include any person who is not eligible by
24 reason of such person's employment to participate in one of the
25 State retirement systems under Articles 2, 14, 15 (either the
26 regular Article 15 system or the optional retirement program
27 established under Section 15-158.2) or 18, or under paragraph
28 (2), (3), or (5) of Section 16-106, of the Illinois Pension
29 Code, but such term does include persons who are employed
30 during the 6 month qualifying period under Article 14 of the
31 Illinois Pension Code. Such term also includes any person who
32 (1) after January 1, 1966, is receiving ordinary or accidental
33 disability benefits under Articles 2, 14, 15 (including
34 ordinary or accidental disability benefits under the optional
35 retirement program established under Section 15-158.2),
36 paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of

1 the Illinois Pension Code, for disability incurred after
2 January 1, 1966, (2) receives total permanent or total
3 temporary disability under the Workers' Compensation Act or
4 Occupational Disease Act as a result of injuries sustained or
5 illness contracted in the course of employment with the State
6 of Illinois, or (3) is not otherwise covered under this Act and
7 has retired as a participating member under Article 2 of the
8 Illinois Pension Code but is ineligible for the retirement
9 annuity under Section 2-119 of the Illinois Pension Code.
10 However, a person who satisfies the criteria of the foregoing
11 definition of "employee" except that such person is made
12 ineligible to participate in the State Universities Retirement
13 System by clause (4) of subsection (a) of Section 15-107 of the
14 Illinois Pension Code is also an "employee" for the purposes of
15 this Act. "Employee" also includes any person receiving or
16 eligible for benefits under a sick pay plan established in
17 accordance with Section 36 of the State Finance Act. "Employee"
18 also includes each officer or employee in the service of a
19 qualified local government, including persons appointed as
20 trustees of sanitary districts regardless of hours devoted to
21 the service of the sanitary district, and each employee in the
22 service of a qualified rehabilitation facility and each
23 full-time employee in the service of a qualified domestic
24 violence shelter or service, as determined according to rules
25 promulgated by the Director.

26 (l) "Member" means an employee, annuitant, retired
27 employee or survivor.

28 (m) "Optional coverages or benefits" means those coverages
29 or benefits available to the member on his or her voluntary
30 election, and at his or her own expense.

31 (n) "Program" means the group life insurance, health
32 benefits and other employee benefits designed and contracted
33 for by the Director under this Act.

34 (o) "Health plan" means a health benefits program offered
35 by the State of Illinois for persons eligible for the plan.

36 (p) "Retired employee" means any person who would be an

1 annuitant as that term is defined herein but for the fact that
2 such person retired prior to January 1, 1966. Such term also
3 includes any person formerly employed by the University of
4 Illinois in the Cooperative Extension Service who would be an
5 annuitant but for the fact that such person was made ineligible
6 to participate in the State Universities Retirement System by
7 clause (4) of subsection (a) of Section 15-107 of the Illinois
8 Pension Code.

9 (q) "Survivor" means a person receiving an annuity as a
10 survivor of an employee or of an annuitant. "Survivor" also
11 includes: (1) the surviving dependent of a person who satisfies
12 the definition of "employee" except that such person is made
13 ineligible to participate in the State Universities Retirement
14 System by clause (4) of subsection (a) of Section 15-107 of the
15 Illinois Pension Code; ~~and~~ (2) the surviving dependent of any
16 person formerly employed by the University of Illinois in the
17 Cooperative Extension Service who would be an annuitant except
18 for the fact that such person was made ineligible to
19 participate in the State Universities Retirement System by
20 clause (4) of subsection (a) of Section 15-107 of the Illinois
21 Pension Code; and (3) the surviving dependent of a person who
22 was an annuitant under this Act by virtue of receiving an
23 alternative retirement cancellation payment under Section
24 14-108.5 of the Illinois Pension Code.

25 (q-2) "SERS" means the State Employees' Retirement System
26 of Illinois, created under Article 14 of the Illinois Pension
27 Code.

28 (q-3) "SURS" means the State Universities Retirement
29 System, created under Article 15 of the Illinois Pension Code.

30 (q-4) "TRS" means the Teachers' Retirement System of the
31 State of Illinois, created under Article 16 of the Illinois
32 Pension Code.

33 (q-5) "New SERS survivor" means a survivor, as defined in
34 subsection (q), whose annuity is paid under Article 14 of the
35 Illinois Pension Code and is based on the death of (i) an
36 employee whose death occurs on or after January 1, 1998, or

1 (ii) a new SERS annuitant as defined in subsection (b-5). "New
2 SERS survivor" includes the surviving dependent of a person who
3 was an annuitant under this Act by virtue of receiving an
4 alternative retirement cancellation payment under Section
5 14-108.5 of the Illinois Pension Code.

6 (q-6) "New SURS survivor" means a survivor, as defined in
7 subsection (q), whose annuity is paid under Article 15 of the
8 Illinois Pension Code and is based on the death of (i) an
9 employee whose death occurs on or after January 1, 1998, or
10 (ii) a new SURS annuitant as defined in subsection (b-6).

11 (q-7) "New TRS State survivor" means a survivor, as defined
12 in subsection (q), whose annuity is paid under Article 16 of
13 the Illinois Pension Code and is based on the death of (i) an
14 employee who is a teacher as defined in paragraph (2), (3), or
15 (5) of Section 16-106 of that Code and whose death occurs on or
16 after July 1, 1998, or (ii) a new TRS State annuitant as
17 defined in subsection (b-7).

18 (r) "Medical services" means the services provided within
19 the scope of their licenses by practitioners in all categories
20 licensed under the Medical Practice Act of 1987.

21 (s) "Unit of local government" means any county,
22 municipality, township, school district (including a
23 combination of school districts under the Intergovernmental
24 Cooperation Act), special district or other unit, designated as
25 a unit of local government by law, which exercises limited
26 governmental powers or powers in respect to limited
27 governmental subjects, any not-for-profit association with a
28 membership that primarily includes townships and township
29 officials, that has duties that include provision of research
30 service, dissemination of information, and other acts for the
31 purpose of improving township government, and that is funded
32 wholly or partly in accordance with Section 85-15 of the
33 Township Code; any not-for-profit corporation or association,
34 with a membership consisting primarily of municipalities, that
35 operates its own utility system, and provides research,
36 training, dissemination of information, or other acts to

1 promote cooperation between and among municipalities that
2 provide utility services and for the advancement of the goals
3 and purposes of its membership; the Southern Illinois
4 Collegiate Common Market, which is a consortium of higher
5 education institutions in Southern Illinois; and the Illinois
6 Association of Park Districts. "Qualified local government"
7 means a unit of local government approved by the Director and
8 participating in a program created under subsection (i) of
9 Section 10 of this Act.

10 (t) "Qualified rehabilitation facility" means any
11 not-for-profit organization that is accredited by the
12 Commission on Accreditation of Rehabilitation Facilities or
13 certified by the Department of Human Services (as successor to
14 the Department of Mental Health and Developmental
15 Disabilities) to provide services to persons with disabilities
16 and which receives funds from the State of Illinois for
17 providing those services, approved by the Director and
18 participating in a program created under subsection (j) of
19 Section 10 of this Act.

20 (u) "Qualified domestic violence shelter or service" means
21 any Illinois domestic violence shelter or service and its
22 administrative offices funded by the Department of Human
23 Services (as successor to the Illinois Department of Public
24 Aid), approved by the Director and participating in a program
25 created under subsection (k) of Section 10.

26 (v) "TRS benefit recipient" means a person who:

27 (1) is not a "member" as defined in this Section; and

28 (2) is receiving a monthly benefit or retirement
29 annuity under Article 16 of the Illinois Pension Code; and

30 (3) either (i) has at least 8 years of creditable
31 service under Article 16 of the Illinois Pension Code, or
32 (ii) was enrolled in the health insurance program offered
33 under that Article on January 1, 1996, or (iii) is the
34 survivor of a benefit recipient who had at least 8 years of
35 creditable service under Article 16 of the Illinois Pension
36 Code or was enrolled in the health insurance program

1 offered under that Article on the effective date of this
2 amendatory Act of 1995, or (iv) is a recipient or survivor
3 of a recipient of a disability benefit under Article 16 of
4 the Illinois Pension Code.

5 (w) "TRS dependent beneficiary" means a person who:

6 (1) is not a "member" or "dependent" as defined in this
7 Section; and

8 (2) is a TRS benefit recipient's: (A) spouse, (B)
9 dependent parent who is receiving at least half of his or
10 her support from the TRS benefit recipient, or (C)
11 unmarried natural or adopted child who is (i) under age 19,
12 or (ii) enrolled as a full-time student in an accredited
13 school, financially dependent upon the TRS benefit
14 recipient, eligible to be claimed as a dependent for income
15 tax purposes, and either is under age 24 or was, on January
16 1, 1996, participating as a dependent beneficiary in the
17 health insurance program offered under Article 16 of the
18 Illinois Pension Code, or (iii) age 19 or over who is
19 mentally or physically handicapped.

20 (x) "Military leave with pay and benefits" refers to
21 individuals in basic training for reserves, special/advanced
22 training, annual training, emergency call up, or activation by
23 the President of the United States with approved pay and
24 benefits.

25 (y) "Military leave without pay and benefits" refers to
26 individuals who enlist for active duty in a regular component
27 of the U.S. Armed Forces or other duty not specified or
28 authorized under military leave with pay and benefits.

29 (z) "Community college benefit recipient" means a person
30 who:

31 (1) is not a "member" as defined in this Section; and

32 (2) is receiving a monthly survivor's annuity or
33 retirement annuity under Article 15 of the Illinois Pension
34 Code; and

35 (3) either (i) was a full-time employee of a community
36 college district or an association of community college

1 boards created under the Public Community College Act
2 (other than an employee whose last employer under Article
3 15 of the Illinois Pension Code was a community college
4 district subject to Article VII of the Public Community
5 College Act) and was eligible to participate in a group
6 health benefit plan as an employee during the time of
7 employment with a community college district (other than a
8 community college district subject to Article VII of the
9 Public Community College Act) or an association of
10 community college boards, or (ii) is the survivor of a
11 person described in item (i).

12 (aa) "Community college dependent beneficiary" means a
13 person who:

14 (1) is not a "member" or "dependent" as defined in this
15 Section; and

16 (2) is a community college benefit recipient's: (A)
17 spouse, (B) dependent parent who is receiving at least half
18 of his or her support from the community college benefit
19 recipient, or (C) unmarried natural or adopted child who is
20 (i) under age 19, or (ii) enrolled as a full-time student
21 in an accredited school, financially dependent upon the
22 community college benefit recipient, eligible to be
23 claimed as a dependent for income tax purposes and under
24 age 23, or (iii) age 19 or over and mentally or physically
25 handicapped.

26 (Source: P.A. 92-16, eff. 6-28-01; 92-186, eff. 1-1-02; 92-204,
27 eff. 8-1-01; 92-651, eff. 7-11-02; 93-205, eff. 1-1-04.)

28 (5 ILCS 375/10) (from Ch. 127, par. 530)

29 Sec. 10. Payments by State; premiums.

30 (a) The State shall pay the cost of basic non-contributory
31 group life insurance and, subject to member paid contributions
32 set by the Department or required by this Section, the basic
33 program of group health benefits on each eligible member,
34 except a member, not otherwise covered by this Act, who has
35 retired as a participating member under Article 2 of the

1 Illinois Pension Code but is ineligible for the retirement
2 annuity under Section 2-119 of the Illinois Pension Code, and
3 part of each eligible member's and retired member's premiums
4 for health insurance coverage for enrolled dependents as
5 provided by Section 9. The State shall pay the cost of the
6 basic program of group health benefits only after benefits are
7 reduced by the amount of benefits covered by Medicare for all
8 members and dependents who are eligible for benefits under
9 Social Security or the Railroad Retirement system or who had
10 sufficient Medicare-covered government employment, except that
11 such reduction in benefits shall apply only to those members
12 and dependents who (1) first become eligible for such Medicare
13 coverage on or after July 1, 1992; or (2) are Medicare-eligible
14 members or dependents of a local government unit which began
15 participation in the program on or after July 1, 1992; or (3)
16 remain eligible for, but no longer receive Medicare coverage
17 which they had been receiving on or after July 1, 1992. The
18 Department may determine the aggregate level of the State's
19 contribution on the basis of actual cost of medical services
20 adjusted for age, sex or geographic or other demographic
21 characteristics which affect the costs of such programs.

22 The cost of participation in the basic program of group
23 health benefits for the dependent or survivor of a living or
24 deceased retired employee who was formerly employed by the
25 University of Illinois in the Cooperative Extension Service and
26 would be an annuitant but for the fact that he or she was made
27 ineligible to participate in the State Universities Retirement
28 System by clause (4) of subsection (a) of Section 15-107 of the
29 Illinois Pension Code shall not be greater than the cost of
30 participation that would otherwise apply to that dependent or
31 survivor if he or she were the dependent or survivor of an
32 annuitant under the State Universities Retirement System.

33 (a-1) Beginning January 1, 1998, for each person who
34 becomes a new SERS annuitant and participates in the basic
35 program of group health benefits, the State shall contribute
36 toward the cost of the annuitant's coverage under the basic

1 program of group health benefits an amount equal to 5% of that
2 cost for each full year of creditable service upon which the
3 annuitant's retirement annuity is based, up to a maximum of
4 100% for an annuitant with 20 or more years of creditable
5 service. The remainder of the cost of a new SERS annuitant's
6 coverage under the basic program of group health benefits shall
7 be the responsibility of the annuitant. In the case of a new
8 SERS annuitant who has elected to receive an alternative
9 retirement cancellation payment under Section 14-108.5 of the
10 Illinois Pension Code in lieu of an annuity, for the purposes
11 of this subsection the annuitant shall be deemed to be
12 receiving a retirement annuity based on the number of years of
13 creditable service that the annuitant had established at the
14 time of his or her termination of service under SERS.

15 (a-2) Beginning January 1, 1998, for each person who
16 becomes a new SERS survivor and participates in the basic
17 program of group health benefits, the State shall contribute
18 toward the cost of the survivor's coverage under the basic
19 program of group health benefits an amount equal to 5% of that
20 cost for each full year of the deceased employee's or deceased
21 annuitant's creditable service in the State Employees'
22 Retirement System of Illinois on the date of death, up to a
23 maximum of 100% for a survivor of an employee or annuitant with
24 20 or more years of creditable service. The remainder of the
25 cost of the new SERS survivor's coverage under the basic
26 program of group health benefits shall be the responsibility of
27 the survivor. In the case of a new SERS survivor who was the
28 dependent of an annuitant who elected to receive an alternative
29 retirement cancellation payment under Section 14-108.5 of the
30 Illinois Pension Code in lieu of an annuity, for the purposes
31 of this subsection the deceased annuitant's creditable service
32 shall be determined as of the date of termination of service
33 rather than the date of death.

34 (a-3) Beginning January 1, 1998, for each person who
35 becomes a new SERS annuitant and participates in the basic
36 program of group health benefits, the State shall contribute

1 toward the cost of the annuitant's coverage under the basic
2 program of group health benefits an amount equal to 5% of that
3 cost for each full year of creditable service upon which the
4 annuitant's retirement annuity is based, up to a maximum of
5 100% for an annuitant with 20 or more years of creditable
6 service. The remainder of the cost of a new SURS annuitant's
7 coverage under the basic program of group health benefits shall
8 be the responsibility of the annuitant.

9 (a-4) (Blank).

10 (a-5) Beginning January 1, 1998, for each person who
11 becomes a new SURS survivor and participates in the basic
12 program of group health benefits, the State shall contribute
13 toward the cost of the survivor's coverage under the basic
14 program of group health benefits an amount equal to 5% of that
15 cost for each full year of the deceased employee's or deceased
16 annuitant's creditable service in the State Universities
17 Retirement System on the date of death, up to a maximum of 100%
18 for a survivor of an employee or annuitant with 20 or more
19 years of creditable service. The remainder of the cost of the
20 new SURS survivor's coverage under the basic program of group
21 health benefits shall be the responsibility of the survivor.

22 (a-6) Beginning July 1, 1998, for each person who becomes a
23 new TRS State annuitant and participates in the basic program
24 of group health benefits, the State shall contribute toward the
25 cost of the annuitant's coverage under the basic program of
26 group health benefits an amount equal to 5% of that cost for
27 each full year of creditable service as a teacher as defined in
28 paragraph (2), (3), or (5) of Section 16-106 of the Illinois
29 Pension Code upon which the annuitant's retirement annuity is
30 based, up to a maximum of 100%; except that the State
31 contribution shall be 12.5% per year (rather than 5%) for each
32 full year of creditable service as a regional superintendent or
33 assistant regional superintendent of schools. The remainder of
34 the cost of a new TRS State annuitant's coverage under the
35 basic program of group health benefits shall be the
36 responsibility of the annuitant.

1 (a-7) Beginning July 1, 1998, for each person who becomes a
2 new TRS State survivor and participates in the basic program of
3 group health benefits, the State shall contribute toward the
4 cost of the survivor's coverage under the basic program of
5 group health benefits an amount equal to 5% of that cost for
6 each full year of the deceased employee's or deceased
7 annuitant's creditable service as a teacher as defined in
8 paragraph (2), (3), or (5) of Section 16-106 of the Illinois
9 Pension Code on the date of death, up to a maximum of 100%;
10 except that the State contribution shall be 12.5% per year
11 (rather than 5%) for each full year of the deceased employee's
12 or deceased annuitant's creditable service as a regional
13 superintendent or assistant regional superintendent of
14 schools. The remainder of the cost of the new TRS State
15 survivor's coverage under the basic program of group health
16 benefits shall be the responsibility of the survivor.

17 (a-8) A new SERS annuitant, new SERS survivor, new SURS
18 annuitant, new SURS survivor, new TRS State annuitant, or new
19 TRS State survivor may waive or terminate coverage in the
20 program of group health benefits. Any such annuitant or
21 survivor who has waived or terminated coverage may enroll or
22 re-enroll in the program of group health benefits only during
23 the annual benefit choice period, as determined by the
24 Director; except that in the event of termination of coverage
25 due to nonpayment of premiums, the annuitant or survivor may
26 not re-enroll in the program.

27 (a-9) No later than May 1 of each calendar year, the
28 Director of Central Management Services shall certify in
29 writing to the Executive Secretary of the State Employees'
30 Retirement System of Illinois the amounts of the Medicare
31 supplement health care premiums and the amounts of the health
32 care premiums for all other retirees who are not Medicare
33 eligible.

34 A separate calculation of the premiums based upon the
35 actual cost of each health care plan shall be so certified.

36 The Director of Central Management Services shall provide

1 to the Executive Secretary of the State Employees' Retirement
2 System of Illinois such information, statistics, and other data
3 as he or she may require to review the premium amounts
4 certified by the Director of Central Management Services.

5 (b) State employees who become eligible for this program on
6 or after January 1, 1980 in positions normally requiring actual
7 performance of duty not less than 1/2 of a normal work period
8 but not equal to that of a normal work period, shall be given
9 the option of participating in the available program. If the
10 employee elects coverage, the State shall contribute on behalf
11 of such employee to the cost of the employee's benefit and any
12 applicable dependent supplement, that sum which bears the same
13 percentage as that percentage of time the employee regularly
14 works when compared to normal work period.

15 (c) The basic non-contributory coverage from the basic
16 program of group health benefits shall be continued for each
17 employee not in pay status or on active service by reason of
18 (1) leave of absence due to illness or injury, (2) authorized
19 educational leave of absence or sabbatical leave, or (3)
20 military leave with pay and benefits. This coverage shall
21 continue until expiration of authorized leave and return to
22 active service, but not to exceed 24 months for leaves under
23 item (1) or (2). This 24-month limitation and the requirement
24 of returning to active service shall not apply to persons
25 receiving ordinary or accidental disability benefits or
26 retirement benefits through the appropriate State retirement
27 system or benefits under the Workers' Compensation or
28 Occupational Disease Act.

29 (d) The basic group life insurance coverage shall continue,
30 with full State contribution, where such person is (1) absent
31 from active service by reason of disability arising from any
32 cause other than self-inflicted, (2) on authorized educational
33 leave of absence or sabbatical leave, or (3) on military leave
34 with pay and benefits.

35 (e) Where the person is in non-pay status for a period in
36 excess of 30 days or on leave of absence, other than by reason

1 of disability, educational or sabbatical leave, or military
2 leave with pay and benefits, such person may continue coverage
3 only by making personal payment equal to the amount normally
4 contributed by the State on such person's behalf. Such payments
5 and coverage may be continued: (1) until such time as the
6 person returns to a status eligible for coverage at State
7 expense, but not to exceed 24 months, (2) until such person's
8 employment or annuitant status with the State is terminated, or
9 (3) for a maximum period of 4 years for members on military
10 leave with pay and benefits and military leave without pay and
11 benefits (exclusive of any additional service imposed pursuant
12 to law).

13 (f) The Department shall establish by rule the extent to
14 which other employee benefits will continue for persons in
15 non-pay status or who are not in active service.

16 (g) The State shall not pay the cost of the basic
17 non-contributory group life insurance, program of health
18 benefits and other employee benefits for members who are
19 survivors as defined by paragraphs (1) and (2) of subsection
20 (q) of Section 3 of this Act. The costs of benefits for these
21 survivors shall be paid by the survivors or by the University
22 of Illinois Cooperative Extension Service, or any combination
23 thereof. However, the State shall pay the amount of the
24 reduction in the cost of participation, if any, resulting from
25 the amendment to subsection (a) made by this amendatory Act of
26 the 91st General Assembly.

27 (h) Those persons occupying positions with any department
28 as a result of emergency appointments pursuant to Section 8b.8
29 of the Personnel Code who are not considered employees under
30 this Act shall be given the option of participating in the
31 programs of group life insurance, health benefits and other
32 employee benefits. Such persons electing coverage may
33 participate only by making payment equal to the amount normally
34 contributed by the State for similarly situated employees. Such
35 amounts shall be determined by the Director. Such payments and
36 coverage may be continued until such time as the person becomes

1 an employee pursuant to this Act or such person's appointment
2 is terminated.

3 (i) Any unit of local government within the State of
4 Illinois may apply to the Director to have its employees,
5 annuitants, and their dependents provided group health
6 coverage under this Act on a non-insured basis. To participate,
7 a unit of local government must agree to enroll all of its
8 employees, who may select coverage under either the State group
9 health benefits plan or a health maintenance organization that
10 has contracted with the State to be available as a health care
11 provider for employees as defined in this Act. A unit of local
12 government must remit the entire cost of providing coverage
13 under the State group health benefits plan or, for coverage
14 under a health maintenance organization, an amount determined
15 by the Director based on an analysis of the sex, age,
16 geographic location, or other relevant demographic variables
17 for its employees, except that the unit of local government
18 shall not be required to enroll those of its employees who are
19 covered spouses or dependents under this plan or another group
20 policy or plan providing health benefits as long as (1) an
21 appropriate official from the unit of local government attests
22 that each employee not enrolled is a covered spouse or
23 dependent under this plan or another group policy or plan, and
24 (2) at least 85% of the employees are enrolled and the unit of
25 local government remits the entire cost of providing coverage
26 to those employees, except that a participating school district
27 must have enrolled at least 85% of its full-time employees who
28 have not waived coverage under the district's group health plan
29 by participating in a component of the district's cafeteria
30 plan. A participating school district is not required to enroll
31 a full-time employee who has waived coverage under the
32 district's health plan, provided that an appropriate official
33 from the participating school district attests that the
34 full-time employee has waived coverage by participating in a
35 component of the district's cafeteria plan. For the purposes of
36 this subsection, "participating school district" includes a

1 unit of local government whose primary purpose is education as
2 defined by the Department's rules.

3 Employees of a participating unit of local government who
4 are not enrolled due to coverage under another group health
5 policy or plan may enroll in the event of a qualifying change
6 in status, special enrollment, special circumstance as defined
7 by the Director, or during the annual Benefit Choice Period. A
8 participating unit of local government may also elect to cover
9 its annuitants. Dependent coverage shall be offered on an
10 optional basis, with the costs paid by the unit of local
11 government, its employees, or some combination of the two as
12 determined by the unit of local government. The unit of local
13 government shall be responsible for timely collection and
14 transmission of dependent premiums.

15 The Director shall annually determine monthly rates of
16 payment, subject to the following constraints:

17 (1) In the first year of coverage, the rates shall be
18 equal to the amount normally charged to State employees for
19 elected optional coverages or for enrolled dependents
20 coverages or other contributory coverages, or contributed
21 by the State for basic insurance coverages on behalf of its
22 employees, adjusted for differences between State
23 employees and employees of the local government in age,
24 sex, geographic location or other relevant demographic
25 variables, plus an amount sufficient to pay for the
26 additional administrative costs of providing coverage to
27 employees of the unit of local government and their
28 dependents.

29 (2) In subsequent years, a further adjustment shall be
30 made to reflect the actual prior years' claims experience
31 of the employees of the unit of local government.

32 In the case of coverage of local government employees under
33 a health maintenance organization, the Director shall annually
34 determine for each participating unit of local government the
35 maximum monthly amount the unit may contribute toward that
36 coverage, based on an analysis of (i) the age, sex, geographic

1 location, and other relevant demographic variables of the
2 unit's employees and (ii) the cost to cover those employees
3 under the State group health benefits plan. The Director may
4 similarly determine the maximum monthly amount each unit of
5 local government may contribute toward coverage of its
6 employees' dependents under a health maintenance organization.

7 Monthly payments by the unit of local government or its
8 employees for group health benefits plan or health maintenance
9 organization coverage shall be deposited in the Local
10 Government Health Insurance Reserve Fund.

11 The Local Government Health Insurance Reserve Fund shall be
12 a continuing fund not subject to fiscal year limitations. All
13 expenditures from this Fund shall be used for payments for
14 health care benefits for local government and rehabilitation
15 facility employees, annuitants, and dependents, and to
16 reimburse the Department or its administrative service
17 organization for all expenses incurred in the administration of
18 benefits. No other State funds may be used for these purposes.

19 A local government employer's participation or desire to
20 participate in a program created under this subsection shall
21 not limit that employer's duty to bargain with the
22 representative of any collective bargaining unit of its
23 employees.

24 (j) Any rehabilitation facility within the State of
25 Illinois may apply to the Director to have its employees,
26 annuitants, and their eligible dependents provided group
27 health coverage under this Act on a non-insured basis. To
28 participate, a rehabilitation facility must agree to enroll all
29 of its employees and remit the entire cost of providing such
30 coverage for its employees, except that the rehabilitation
31 facility shall not be required to enroll those of its employees
32 who are covered spouses or dependents under this plan or
33 another group policy or plan providing health benefits as long
34 as (1) an appropriate official from the rehabilitation facility
35 attests that each employee not enrolled is a covered spouse or
36 dependent under this plan or another group policy or plan, and

1 (2) at least 85% of the employees are enrolled and the
2 rehabilitation facility remits the entire cost of providing
3 coverage to those employees. Employees of a participating
4 rehabilitation facility who are not enrolled due to coverage
5 under another group health policy or plan may enroll in the
6 event of a qualifying change in status, special enrollment,
7 special circumstance as defined by the Director, or during the
8 annual Benefit Choice Period. A participating rehabilitation
9 facility may also elect to cover its annuitants. Dependent
10 coverage shall be offered on an optional basis, with the costs
11 paid by the rehabilitation facility, its employees, or some
12 combination of the 2 as determined by the rehabilitation
13 facility. The rehabilitation facility shall be responsible for
14 timely collection and transmission of dependent premiums.

15 The Director shall annually determine quarterly rates of
16 payment, subject to the following constraints:

17 (1) In the first year of coverage, the rates shall be
18 equal to the amount normally charged to State employees for
19 elected optional coverages or for enrolled dependents
20 coverages or other contributory coverages on behalf of its
21 employees, adjusted for differences between State
22 employees and employees of the rehabilitation facility in
23 age, sex, geographic location or other relevant
24 demographic variables, plus an amount sufficient to pay for
25 the additional administrative costs of providing coverage
26 to employees of the rehabilitation facility and their
27 dependents.

28 (2) In subsequent years, a further adjustment shall be
29 made to reflect the actual prior years' claims experience
30 of the employees of the rehabilitation facility.

31 Monthly payments by the rehabilitation facility or its
32 employees for group health benefits shall be deposited in the
33 Local Government Health Insurance Reserve Fund.

34 (k) Any domestic violence shelter or service within the
35 State of Illinois may apply to the Director to have its
36 employees, annuitants, and their dependents provided group

1 health coverage under this Act on a non-insured basis. To
2 participate, a domestic violence shelter or service must agree
3 to enroll all of its employees and pay the entire cost of
4 providing such coverage for its employees. A participating
5 domestic violence shelter may also elect to cover its
6 annuitants. Dependent coverage shall be offered on an optional
7 basis, with employees, or some combination of the 2 as
8 determined by the domestic violence shelter or service. The
9 domestic violence shelter or service shall be responsible for
10 timely collection and transmission of dependent premiums.

11 The Director shall annually determine rates of payment,
12 subject to the following constraints:

13 (1) In the first year of coverage, the rates shall be
14 equal to the amount normally charged to State employees for
15 elected optional coverages or for enrolled dependents
16 coverages or other contributory coverages on behalf of its
17 employees, adjusted for differences between State
18 employees and employees of the domestic violence shelter or
19 service in age, sex, geographic location or other relevant
20 demographic variables, plus an amount sufficient to pay for
21 the additional administrative costs of providing coverage
22 to employees of the domestic violence shelter or service
23 and their dependents.

24 (2) In subsequent years, a further adjustment shall be
25 made to reflect the actual prior years' claims experience
26 of the employees of the domestic violence shelter or
27 service.

28 Monthly payments by the domestic violence shelter or
29 service or its employees for group health insurance shall be
30 deposited in the Local Government Health Insurance Reserve
31 Fund.

32 (1) A public community college or entity organized pursuant
33 to the Public Community College Act may apply to the Director
34 initially to have only annuitants not covered prior to July 1,
35 1992 by the district's health plan provided health coverage
36 under this Act on a non-insured basis. The community college

1 must execute a 2-year contract to participate in the Local
2 Government Health Plan. Any annuitant may enroll in the event
3 of a qualifying change in status, special enrollment, special
4 circumstance as defined by the Director, or during the annual
5 Benefit Choice Period.

6 The Director shall annually determine monthly rates of
7 payment subject to the following constraints: for those
8 community colleges with annuitants only enrolled, first year
9 rates shall be equal to the average cost to cover claims for a
10 State member adjusted for demographics, Medicare
11 participation, and other factors; and in the second year, a
12 further adjustment of rates shall be made to reflect the actual
13 first year's claims experience of the covered annuitants.

14 (1-5) The provisions of subsection (1) become inoperative
15 on July 1, 1999.

16 (m) The Director shall adopt any rules deemed necessary for
17 implementation of this amendatory Act of 1989 (Public Act
18 86-978).

19 (Source: P.A. 91-280, eff. 7-23-99; 91-311; eff. 7-29-99;
20 91-357, eff. 7-29-99; 91-390, eff. 7-30-99; 91-395, eff.
21 7-30-99; 91-617, eff. 8-19-99; 92-16, eff. 6-28-01; revised
22 2-25-02.)

23 Section 10-190. The State Finance Act is amended by adding
24 Section 14a.5 as follows:

25 (30 ILCS 105/14a.5 new)

26 Sec. 14a.5. Maximum incentive payments for early
27 termination of State service.

28 (a) The Department of Central Management Services shall
29 create, adopt by emergency rulemaking under the Illinois
30 Administrative Procedure Act through the Joint Committee on
31 Administrative Rules by October 1, 2004, and administer a
32 program of incentive payments for early termination of State
33 service. The program shall provide for the payment of a lump
34 sum incentive to certain persons who terminate State employment

1 on or after November 1, 2004 but on or before December 31,
2 2004. The lump sum payment to any individual under the program
3 shall not exceed 25% of final monthly rate of pay for each
4 completed year of State employment, nor shall it exceed the
5 compensation earned by the individual during the 6 months
6 immediately preceding his or her termination from State
7 service, and is payable out of the personal services
8 appropriation from which the employee's salary is paid. The
9 rules of the program may limit the number of individuals listed
10 under Section 14-108.5(b)(1) of the Illinois Pension Code who
11 may participate in the program and shall specify how the lump
12 sum amount will be determined and vouchered; provided, however,
13 that all employees within the same title shall be provided lump
14 sum amounts on the same terms, varying only due to their time
15 of State service. The director or other head of a department
16 shall limit the number of individuals listed under Section
17 14-108.5(b)(2) of the Illinois Pension Code who may participate
18 in the program and shall specify the amount of the lump sum and
19 how the lump sum amount will be determined and vouchered.

20 (b) In addition to the lump sum payment provided under
21 subsection (a), the program may also provide for payment to
22 participants or their health benefit coverage providers of an
23 amount representing the net cost to the participating employee
24 of his or her health benefit coverage under the State Employees
25 Group Insurance Act of 1971 or applicable COBRA (Consolidated
26 Omnibus Budget Reconciliation Act of 1985) insurance
27 continuation provisions for up to 6 months immediately
28 following termination of State service. The amount payable to
29 any participant under this subsection shall not exceed \$3,600
30 and is payable out of the personal services appropriation from
31 which the employee's salary is paid. The program rules shall
32 specify how the amount payable under this subsection will be
33 determined and vouchered.

34 (c) The program authorized under this Section applies only
35 to a person who (1) was an active employee of the State of
36 Illinois on any day during June 2004 in a position listed in

1 subsection (b) of Section 14-108.5 of the Illinois Pension Code
2 and was continuously employed in a position listed in
3 subsection (b) of Section 14-108.5 of the Illinois Pension Code
4 on and after January 1, 2004, (2) applies in writing to the
5 Department of Central Management Services, in the case of a
6 person listed under Section 14-108.5(b)(1) of the Illinois
7 Pension Code, or to the director or other head of the
8 department at which he or she is employed, in the case of a
9 person listed under Section 14-108.5(b)(2) of the Illinois
10 Pension Code, on or before October 31, 2004, (3) does not
11 accept an alternative retirement cancellation payment under
12 Section 14-108.5 of the Illinois Pension Code, and (4)
13 terminates his or her State employment on or before December
14 31, 2004.

15 (d) A participant in the program who returns to State
16 employment (other than as an elected official or as a temporary
17 employee for not more than 75 days per calendar year) thereby
18 forfeits the incentive payments received under the program and
19 must repay those amounts to the Department of Central
20 Management Services, in the case of a person listed under
21 Section 14-108.5(b)(1) of the Illinois Pension Code, or to the
22 department at which he or she is employed, in the case of a
23 person listed under Section 14-108.5(b)(2) of the Illinois
24 Pension Code, within 60 days after his or her return to State
25 employment.

26 Section 10-195. The Illinois Pension Code is amended by
27 adding Sections 14-104.12 and 14-108.5 and changing Section
28 14-130 as follows:

29 (40 ILCS 5/14-104.12 new)

30 Sec. 14-104.12. Early termination incentives under the
31 State Finance Act. Notwithstanding any other provision of this
32 Article and notwithstanding that they may be payable from a
33 personal services line item, early termination incentives paid
34 under Section 14a.5 of the State Finance Act:

1 (1) shall not be included in, and do not affect the
2 calculation of, compensation or final average compensation
3 under this Article;

4 (2) do not entitle the recipient to establish any
5 additional service credit under this Article;

6 (3) do not require and shall not result in the payment
7 of any employee or employer contributions under this
8 Article; and

9 (4) have no effect under this Article except to
10 disqualify the recipient from receiving the alternative
11 retirement cancellation payment under Section 14-108.5.

12 (40 ILCS 5/14-108.5 new)

13 Sec. 14-108.5. Alternative retirement cancellation
14 payment.

15 (a) To be eligible for the alternative retirement
16 cancellation payment provided in this Section, a person must:

17 (1) be a member of this System who, on any day during
18 June 2004, was (i) in active payroll status as an employee
19 in a position listed in subsection (b) of this Section and
20 continuously employed in a position listed in subsection
21 (b) on and after January 1, 2004 and (ii) an active
22 contributor to this System with respect to that employment;

23 (2) have not previously received any retirement
24 annuity under this Article;

25 (3) not accept an incentive payment under Section 14a.5
26 of the State Finance Act;

27 (4) in the case of persons employed in a position title
28 listed under paragraph (1) of subsection (b), be among the
29 first 3,000 persons to file with the Board on or before
30 September 30, 2004 a written application requesting the
31 alternative retirement cancellation payment provided in
32 this Section;

33 (5) in the case of persons employed in a position title
34 listed under paragraph (2) of subsection (b), have received
35 written authorization from the director or other head of

1 his or her department and filed that authorization with the
2 system on or before September 1, 2004;

3 (6) if there is a QILDRO in effect against the person,
4 file with the Board the written consent of all alternate
5 payees under the QILDRO to the election of an alternative
6 retirement cancellation payment under this Section; and

7 (7) terminate employment under this Article within 2
8 weeks after approval of the person's application
9 requesting the alternative retirement cancellation
10 payment, but in no event later than October 31, 2004.

11 (b) (1) Position titles eligible for the alternative
12 retirement cancellation payment provided in this Section
13 are:

14 911 Analyst III; Brickmason; Account Clerk I and II; Budget
15 Analyst I and II; Account Technician I and II; Budget
16 Operations Director; Accountant; Budget Principal;
17 Accountant Advanced; Building Services Worker; Accountant
18 Supervisor; Building/Grounds Laborer; Accounting Fiscal
19 Administrative Career Trainee; Building/Grounds Lead 1 and
20 2; Accounts Payable Processing Analyst; Building/Grounds
21 Maintenance Worker; Accounts Payable Specialist;
22 Building/Grounds Supervisor; Accounts Processing Analyst;
23 Bureau Chief; Actuarial Assistant; Business Administrative
24 Specialist; Administrative and Technology Director;
25 Business Analyst I through IV; Administrative Assistant I
26 through III; Business Manager; Administrative Clerk;
27 Buyer; Administrative Coordinator; Buyer Assistant;
28 Administrator; Capital Budget Analyst I and II;
29 Administrator of Capital Programs; Capital Budget
30 Director; Administrator of Construction Administration;
31 Capital Programs Analyst I and II; Administrator of
32 Contract Administration; Capital Programs Technician;
33 Administrator of Fair Employment Practices; Carpenter;
34 Administrator of Fiscal; Carpenter Foreman; Administrator
35 of Information Management; Cartographer I through III;

1 Administrator of Information Systems; Chief - Police;
2 Administrator of Personnel; Chief Veterans Technician;
3 Administrator of Professional Services; Circuit
4 Provisioning Specialist; Administrator of Public Affairs;
5 Civil Engineer I through IX; Administrator of
6 Quality-Based Selection; Civil Engineer Trainee;
7 Administrator of Strategic Planning and Training; Clerical
8 Trainee; Appeals & Orders Coordinator; Communications
9 Director; Appraisal Specialist 1 through 3; Community
10 Planner 3; Assignment Coordinator; Commander; Assistant
11 Art-in-Architecture Coordinator; Compliance Specialist;
12 Assistant Chief - Police; Conservation Education
13 Representative; Assistant Internal Auditor; Conservation
14 Grant Administrator 1 through 3; Assistant Manager;
15 Construction Supervisor I and II; Assistant Personnel
16 Officer; Consumer Policy Analyst; Assistant Professor
17 Scientist; Consumer Program Coordinator; Assistant
18 Reimbursement Officer; Contract Executive; Assistant
19 Steward; Coordinator of Administrative Services; Associate
20 Director for Administrative Services; Coordinator of
21 Art-in-Architecture; Associate Museum Director;
22 Corrections Clerk I through III; Associate Professor
23 Scientist; Corrections Maintenance Supervisor; Corrections
24 Caseworker Supervisor; Corrections Food Service
25 Supervisor; Auto Parts Warehouse Specialist; Corrections
26 Maintenance Worker; Auto Parts Warehouser; Curator I
27 through III; Automotive Attendant I and II; Data Processing
28 Administrative Specialist; Automotive Mechanic; Data
29 Processing Assistant; Automotive Shop Supervisor; Data
30 Processing Operator; Baker; Data Processing Specialist;
31 Barber; Data Processing Supervisor 1 through 3;
32 Beautician; Data Processing Technician; Brickmason; Deputy
33 Chief Counsel; Director of Licensing; Desktop Technician;
34 Director of Security; Human Resources Officer; Division
35 Chief; Human Resources Representative; Division Director;
36 Human Resources Specialist; Economic Analyst I through IV;

1 Human Resources Trainee; Electrical Engineer; Human
2 Services Casework Manager; Electrical Engineer I through
3 V; Human Services Grant Coordinator 2 and 3; Electrical
4 Equipment Installer/Repairer; Iconographer; Electrical
5 Equipment Installer/Repairer Lead Worker; Industry and
6 Commercial Development Representative 1 and 2;
7 Electrician; Industry Services Consultant 1 and 2;
8 Electronics Technician; Information Services Intern;
9 Elevator Operator; Information Services Specialist I and
10 II; Endangered Species Secretary; Information Systems
11 Analyst I through III; Engineering Aide; Information
12 Systems Manager; Engineering Analyst I through IV;
13 Information Systems Planner; Engineering Manager I and II;
14 Institutional Maintenance Worker; Engineering Technician I
15 through V; Instrument Designer; Environmental Scientist I
16 and II; Insurance Analyst I through IV; Executive I through
17 VI; Executive Assistant; Intermittent Clerk; Executive
18 Assistant I through IV; Intermittent Laborer Maintenance;
19 Executive Secretary 1 through 3; Intern; Federal Funding
20 and Public Safety Director; Internal Auditor 1; Financial &
21 Budget Assistant; Internal Communications Officer;
22 Financial & Budget Supervisor; International Marketing
23 Representative 1; Financial Management Director; IT
24 Manager; Fiscal Executive; Janitor I and II; Fiscal
25 Officer; Junior State Veterinarian; Gas Engineer I through
26 IV; Junior Supervisor Scientist; General Counsel and
27 Regulatory Director; Laboratory Manager II; General
28 Services Administrator I; Labor Maintenance Lead Worker;
29 General Services Technician; Laborer; Geographic
30 Information Specialist 1 and 2; Laborer (Building);
31 Geologist I through IV; Laborer (Maintenance); Graphic
32 Arts Design Supervisor; Landscape Architect; Graphic Arts
33 Designer; Landscape Architect I through IV; Graphic Arts
34 Technician; Landscape Planner; Grounds Supervisor; Laundry
35 Manager I; Highway Construction Supervisor I; Legislative
36 Liaison I and II; Historical Research Editor 2; Liability

1 Claims Adjuster 1 and 2; Historical Research Specialist;
2 Librarian 1 and 2; Horse Custodian; Library Aide I through
3 III; Horse Identifier; Library Associate; Hourly
4 Assistant; Library Technical Assistant; Human Resource
5 Coordinator; Licensing Assistant; Human Resources Analyst;
6 Line Technician I through II; Human Resources Assistant;
7 Local History Service Representative; Human Resources
8 Associate; Local Housing Advisor 2 and 3; Human Resources
9 Manager; Local Revenue and Fiscal Advisor 3; Machinist;
10 Locksmith; Maintenance Equipment Operator; Operations
11 Communications Specialist Trainee; Maintenance Worker;
12 Operations Technician; Maintenance Worker Power Plant;
13 Painter; Management Information Technician; Paralegal
14 Assistant; Management Operations Analyst 1 and 2;
15 Performance Management Analyst; Management Secretary I;
16 Personnel Manager; Management Systems Specialist;
17 Photogrammetrist I through IV; Management Technician I
18 through IV; Physician; Manager; Physician Specialist
19 Operations A through D; Manpower Planner 1 through 3;
20 Planning Director; Medical Administrator III and V; Plant
21 Maintenance Engineer 1 and 2; Methods & Processes Advisor
22 1, 2 and III; Plumber; Methods & Processes Career Associate
23 1 and 2; Policy Advisor; Microfilm Operator I through III;
24 Policy Analyst I through IV; Military Administrative
25 Assistant I; Power Shovel Operator (Maintenance); Military
26 Administrative Clerk; Principal Economist; Military
27 Administrative Officer-Legal; Principal Scientist;
28 Military Administrative Specialist; Private Secretary 1
29 and 2; Military Community Relations Specialist; Private
30 Secretary I and II; Military Cooperative Agreement
31 Specialist; Procurement Representative; Military Crash,
32 Fire, Rescue I through III; Professor & Scientist; Military
33 Energy Manager; Program Manager; Military Engineer
34 Technician; Program Specialist; Military Environmental
35 Specialist I through III; Project Coordinator; Military
36 Facilities Engineer; Project Designer; Military Facilities

1 Officer I; Project Manager I through III; Military
2 Maintenance Engineer; Project Manager; Military Museum
3 Director; Project Manager/Technical Specialist I thru III;
4 Military Program Supervisor; Project Specialist I through
5 IV; Military Property Custodian II; Projects Director;
6 Military Real Property Clerk; Property & Supply Clerk I
7 through III; Motorist Assistance Specialist; Property
8 Control Officer; Museum Director; Public Administration
9 Intern; Museum Security Head I through III; Public
10 Information Coordinator; Museum Technician I through III;
11 Public Information Officer; Network Control Center
12 Specialist; Public Information Officer 2 through 4;
13 Network Control Center Technician 2; Public Service
14 Administrator; Network Engineer I through IV; Race Track
15 Maintenance 1 and 2; Office Administration Specialist;
16 Radio Technician Program Coordinator; Office Administrator
17 1 through 5; Realty Specialist I through V; Office Aide;
18 Receptionist; Office Assistant; Regional Manager; Office
19 Associate; Regulatory Accountant IV; Office Clerk;
20 Reimbursement Officer 1 and 2; Office Coordinator;
21 Representative I and II; Office Manager; Representative
22 Trainee; Office Occupations Trainee; School Construction
23 Manager; Office Specialist; Secretary I and IV; Operations
24 Communications Specialist I and II; Security Guard; Senior
25 Economic Analyst; Security Supervisor; Senior Editor;
26 Systems Developer I through IV; Senior Electrical
27 Engineer; Systems Developer Trainee; Senior Financial &
28 Budget Assistant; Systems Engineer I through IV; Senior Gas
29 Engineer; Systems Engineer Trainee; Senior Policy Analyst;
30 Tariff & Order Coordinator; Senior Programs Analyst;
31 Tariff Administrator III; Senior Project Consultant;
32 Tariff Analyst IV; Senior Project Manager; Teacher of
33 Barbering; Senior Public Information Officer; Teacher of
34 Beauty Culture; Senior Public Service Administrator;
35 Technical Advisor 2 and 3; Senior Rate Analyst; Technical
36 Advisor I through VII; Senior Technical Assistant;

1 Technical Analyst; Technical Manager I through IX; Senior
2 Technical Supervisor; Technical Assistant; Senior
3 Technology Specialist; Technical Manager 1; Senior
4 Transportation Industry Analyst; Technical Manager I
5 through X; Sewage Plant Operator; Technical Specialist;
6 Sign Hanger; Technical Support Specialist; Sign Hanger
7 Foreman; Technical Specialist I thru III; Sign Painter;
8 Technician Trainee; Sign Shop Foreman; Telecom Systems
9 Analyst; Silk Screen Operator; Telecom Systems Consultant;
10 Senior Administrative Assistant; Telecom Systems
11 Technician 1 and 2; Site Superintendent; Telecommunication
12 Supervisor; Software Architect; Tinsmith; Special
13 Assistant; Trades Tender; Special Assistant to the
14 Executive Director; Training Coordinator; Staff
15 Development Specialist I; Transportation Counsel; Staff
16 Development Technician II; Transportation Industry Analyst
17 III; State Police Captain; Transportation Industry
18 Customer Service; State Police Lieutenant; Transportation
19 Officer; State Police Major; Transportation Policy Analyst
20 III and IV; State Police Master Sergeant; Urban Planner I
21 through VI; Stationary Engineer; Utility Engineer I and II;
22 Stationary Engineer Assistant Chief; Veteran Secretary;
23 Stationary Engineer Chief; Veteran Technician; Stationary
24 Fireman; Water Engineer I through IV; Statistical Research
25 Specialist 1 through 3; Water Plant Operator; Statistical
26 Research Supervisor; Web and Publications Manager;
27 Statistical Research Technician; Steamfitter; Steward;
28 Steward Secretary; Storekeeper I through III; Stores
29 Clerk; Student Intern; Student Worker; Supervisor;
30 Supervisor & Assistant Scientist; Supervisor & Associate
31 Scientist; Switchboard Operator 1 through 3;
32 Administrative Assistant to the Superintendent; Assistant
33 Legal Advisor; Legal Assistant; Senior Human Resources
34 Specialist; Principal Internal Auditor; Division
35 Administrator; Division Supervisor; and Private Secretary
36 I through III.

1 (2) In addition, any position titles with the Speaker
2 of the House of Representatives, the Minority Leader of the
3 House of Representatives, the President of the Senate, the
4 Minority Leader of the Senate, the Attorney General, the
5 Secretary of State, the Comptroller, the Treasurer, the
6 Auditor General, the Supreme Court, the Court of Claims,
7 and each legislative agency are eligible for the
8 alternative retirement cancellation payment provided in
9 this Section.

10 (c) In lieu of any retirement annuity or other benefit
11 provided under this Article, a person who qualifies for and
12 elects to receive the alternative retirement cancellation
13 payment under this Section shall be entitled to receive a
14 one-time lump sum retirement cancellation payment equal to the
15 amount of his or her contributions to the System (including any
16 employee contributions for optional service credit and
17 including any employee contributions paid by the employer or
18 credited to the employee during disability) as of the date of
19 termination, with regular interest, multiplied by 2.

20 (d) Notwithstanding any other provision of this Article, a
21 person who receives an alternative retirement cancellation
22 payment under this Section thereby forfeits the right to any
23 other retirement or disability benefit or refund under this
24 Article, and no widow's, survivor's, or death benefit deriving
25 from that person shall be payable under this Article. Upon
26 accepting an alternative retirement cancellation payment under
27 this Section, the person's creditable service and all other
28 rights in the System are terminated for all purposes, except
29 for the purpose of determining State group life and health
30 benefits for the person and his or her survivors as provided
31 under the State Employees Group Insurance Act of 1971.

32 (e) To the extent permitted by federal law, a person who
33 receives an alternative retirement cancellation payment under
34 this Section may direct the System to pay all or a portion of
35 that payment as a rollover into another retirement plan or
36 account qualified under the Internal Revenue Code of 1986, as

1 amended.

2 (f) Notwithstanding Section 14-111, a person who has
3 received an alternative retirement cancellation payment under
4 this Section and who reenters service under this Article other
5 than as a temporary employee must repay to the System the
6 amount by which that alternative retirement cancellation
7 payment exceeded the amount of his or her refundable employee
8 contributions within 60 days of resuming employment under this
9 System. For the purposes of re-establishing creditable service
10 that was terminated upon election of the alternative retirement
11 cancellation payment, the portion of the alternative
12 retirement cancellation payment representing refundable
13 employee contributions shall be deemed a refund repayable in
14 accordance with Section 14-130.

15 (g) The Economic and Fiscal Commission shall determine and
16 report to the Governor and the General Assembly, on or before
17 January 1, 2006, its estimate of (1) the annual amount of
18 payroll savings likely to be realized by the State as a result
19 of the early termination of persons receiving the alternative
20 retirement cancellation payment under this Section and (2) the
21 net annual savings or cost to the State from the program of
22 alternative retirement cancellation payments under this
23 Section.

24 The System, the Department of Central Management Services,
25 the Governor's Office of Management and Budget, and all other
26 departments shall provide to the Commission any assistance that
27 the Commission may request with respect to its report under
28 this Section. The Commission may require departments to provide
29 it with any information that it deems necessary or useful with
30 respect to its reports under this Section, including without
31 limitation information about (1) the final earnings of former
32 department employees who elected to receive alternative
33 retirement cancellation payments under this Section, (2) the
34 earnings of current department employees holding the positions
35 vacated by persons who elected to receive alternative
36 retirement cancellation payments under this Section, and (3)

1 positions vacated by persons who elected to receive alternative
2 retirement cancellation payments under this Section that have
3 not yet been refilled.

4 (40 ILCS 5/14-130) (from Ch. 108 1/2, par. 14-130)

5 Sec. 14-130. Refunds; rules.

6 (a) Upon withdrawal a member is entitled to receive, upon
7 written request, a refund of the member's contributions,
8 including credits granted while in receipt of disability
9 benefits, without credited interest. The board, in its
10 discretion may withhold payment of the refund of a member's
11 contributions for a period not to exceed 1 year after the
12 member has ceased to be an employee.

13 For purposes of this Section, a member will be considered
14 to have withdrawn from service if a change in, or transfer of,
15 his position results in his becoming ineligible for continued
16 membership in this System and eligible for membership in
17 another public retirement system under this Act.

18 (b) A member receiving a refund forfeits and relinquishes
19 all accrued rights in the System, including all accumulated
20 creditable service. If the person again becomes a member of the
21 System and establishes at least 2 years of creditable service,
22 the member may repay the moneys previously refunded. However, a
23 former member may restore credits previously forfeited by
24 acceptance of a refund without returning to service by applying
25 in writing and repaying to the System, by April 1, 1993, the
26 amount of the refund plus regular interest calculated from the
27 date of refund to the date of repayment.

28 The repayment of refunds issued prior to January 1, 1984
29 shall consist of the amount refunded plus 5% interest per annum
30 compounded annually for the period from the date of the refund
31 to the end of the month in which repayment is made. The
32 repayment of refunds issued after January 1, 1984 shall consist
33 of the amount refunded plus regular interest for the period
34 from the date of refund to the end of the month in which
35 repayment is made. The repayment of the refund of a person who

1 accepts an alternative retirement cancellation payment under
2 Section 14-108.5 shall consist of the entire amount paid to the
3 person under subsection (c) of Section 14-108.5 plus regular
4 interest for the period from the date of the refund to the end
5 of the month in which repayment is made. However, in the case
6 of a refund that is repaid in a lump sum between January 1,
7 1991 and July 1, 1991, repayment shall consist of the amount
8 refunded plus interest at the rate of 2.5% per annum compounded
9 annually from the date of the refund to the end of the month in
10 which repayment is made.

11 Upon repayment, the member shall receive credit for the
12 service, member contributions and regular interest that was
13 forfeited by acceptance of the refund as well as regular
14 interest for the period of non-membership. Such repayment shall
15 be made in full before retirement either in a lump sum or in
16 installment payments in accordance with such rules as may be
17 adopted by the board.

18 (b-5) The Board may adopt rules governing the repayment of
19 refunds and establishment of credits in cases involving awards
20 of back pay or reinstatement. The rules may authorize repayment
21 of a refund in installment payments and may waive the payment
22 of interest on refund amounts repaid in full within a specified
23 period.

24 (c) A member no longer in service who is unmarried and does
25 not have an eligible survivors annuity beneficiary on the date
26 of application therefor is entitled to a refund of
27 contributions for widow's annuity or survivors annuity
28 purposes, or both, as the case may be, without interest. A
29 widow's annuity or survivors annuity shall not be payable upon
30 the death of a person who has received this refund, unless
31 prior to that death the amount of the refund has been repaid to
32 the System, together with regular interest from the date of the
33 refund to the date of repayment.

34 (d) Any member who has service credit in any position for
35 which an alternative retirement annuity is provided and in
36 relation to which an increase in the rate of employee

1 contribution is required, shall be entitled to a refund,
2 without interest, of that part of the member's employee
3 contribution which results from that increase in the employee
4 rate if the member does not qualify for that alternative
5 retirement annuity at the time of retirement.

6 (Source: P.A. 90-448, eff. 8-16-97; 91-887, eff. 7-6-00.)

7 ARTICLE 99

8 Section 99-995. Closed meetings; vote requirement. This
9 Act authorizes the Illinois Economic and Fiscal Commission to
10 hold closed meetings in certain circumstances. In order to meet
11 the requirements of subsection (c) of Section 5 of Article IV
12 of the Illinois Constitution, the General Assembly determines
13 that closed meetings of the Illinois Economic and Fiscal
14 Commission are required by the public interest. Thus, this Act
15 is enacted by the affirmative vote of two-thirds of the members
16 elected to each house of the General Assembly.

17 Section 99-997. Severability. The provisions of this Act
18 are severable under Section 1.31 of the Statute on Statutes.

19 Section 99-999. Effective date. This Act takes effect upon
20 becoming law.